

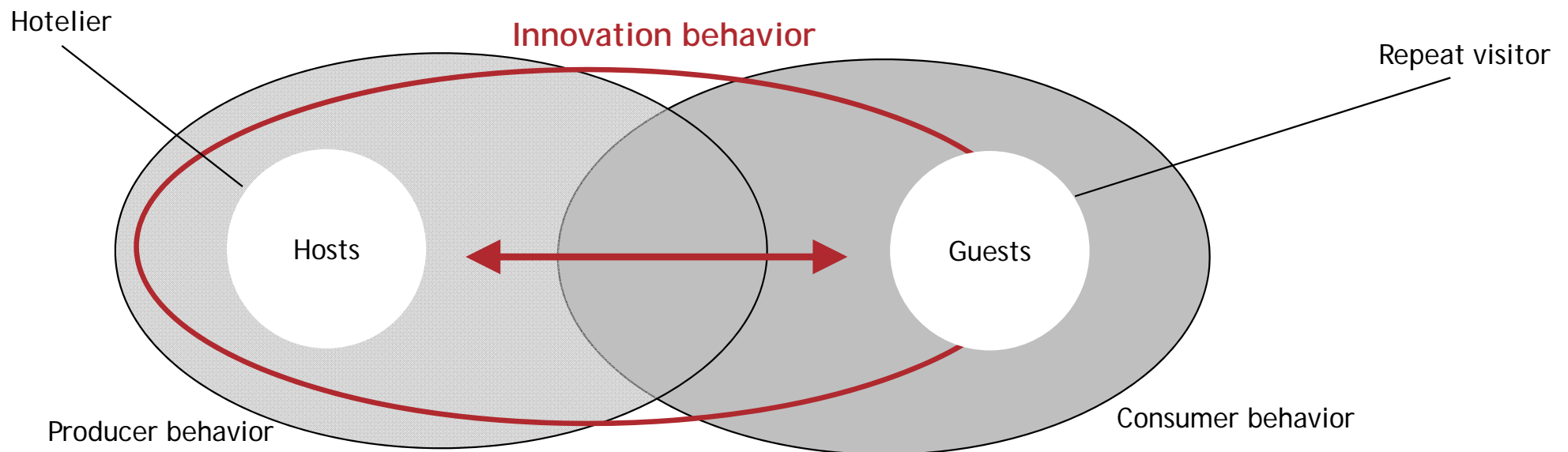
# Repeat visitors and innovation behavior: Between co-creation and co-preservation

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- Understand links between consumer behavior and innovation behavior
- The impact of repeat visitors on innovation of hotels/hoteliers
- Contributes to explain differences in the propensity to innovate among hoteliers



## 1) Past travel experience affects consumer behavior

- Previous visits offer first-hand experience and influence tourist decision making
- Empirical evidence indicates:
  - Familiarity (previous visits) tends to strengthen intention to return
  - Satisfaction with previous visits strengthens the intention to return
- Therefore: Mature destinations and offers tend to have higher percentage of repeat visitors

(Kozak, 2001; Kozak and Rimmington, 2000; Oppermann, 1998, 1999; Gyte and Phelps, 1989; Juaneda, 1996; Cho and Petrick, 2014)

Does the high percentage of repeaters in the context of mature tourism offers negatively affect their ability to rejuvenate and renew?

## 1) Past travel experience affects consumer behavior

- From a management point of view, repeating behavior is regarded as desirable:
  - Less marketing effort
  - Return as indicator for satisfaction
  - Repeaters have higher probability to return
  - Lower price sensitivity
  - However: Tendency to reduced spending

(Oppermann, 1998; 2000; Alegre and Juaneda, 2006; Krishnamurthi and Papatla, 2003)

▶ However: Could repeaters negatively affect the ability to rejuvenate and renew tourism offers?

## 1) Past travel experience affects consumer behavior

### Drivers of repeat visiting behavior:

- Developing emotional ties (attachment) with the destination/hotel/product
  - Family traditions of visits may have a role
- Reducing non-monetary costs: information (planning), developing routines (learning)
- Reducing risk

(Alegre and Juaneda, 2006; Iwasaki and Havitz, 1998; Lee and Allen, 1999; Jones et al., 2002; Moutinho, 2000; George and George, 2004; Yuksel et al., 2010)

► Therefore: Do repeaters lose benefits/drivers of their repeating behavior through excessive innovation?

## 2) Role of tourists in innovation

- More consumer-power due to new ICTs and individualization of demand
- Co-creation is particularly important in creating unique and memorable experiences
- Network-approach to innovation: involvement of stakeholders (esp. customers)
- Continuum from co-production to co-creation: Value is created from interaction between producer and consumer
  
- Involvement and social interactions with service providers increase satisfaction, experience value and intention to revisit

(Cho and Petrick, 2014; Prahalad and Ramaswamy, 2004; Pine and Gilmore, 1999; Binkhorst and Den Dekker, 2009; Van der Duim, 2005; Grisseemann and Stokburger-Sauer, 2010; Chathoth et al., 2013; Prebensen et al., 2013)

 Involvement of guests in innovation is becoming more important

## 2) Role of tourists in innovation

### Motivational factors of customers to engage in co-creation:

- Willingness to exercise control (over product)
- Disposable time
- Expertise
- Company support to co-create
- Some hoteliers favor the involvement of repeaters in co-creation processes

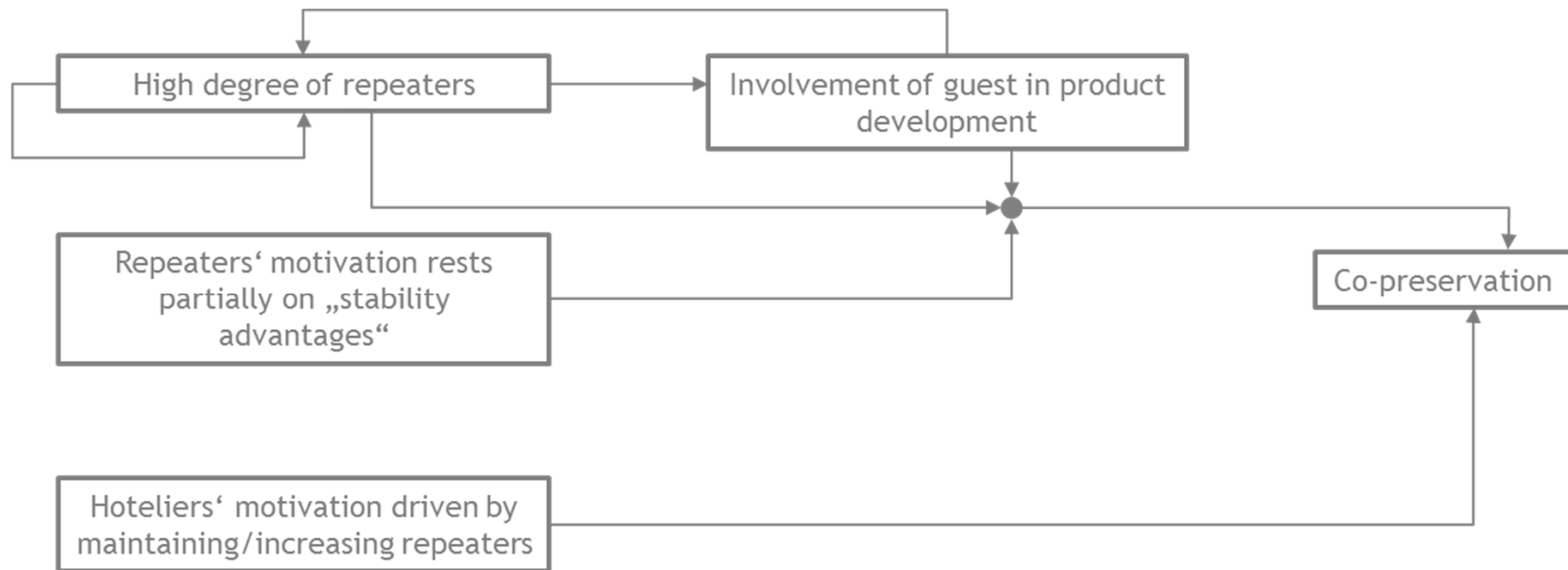
### Consequences:

- Co-creation  loyalty, service expenditure, satisfaction

(Grisseemann and Stokburger-Sauer, 2010; Shaw et al., 2011; Lusch et al., 2007; Etgar, 2008)

▶ Co-creation leads to having repeaters, but what is the relationship vice-versa: Does having repeaters lead to co-preservation?

## Preliminary model based on literature



► Dominance of positive feedback mechanisms: A high degree of repeaters may lead to co-preservation



# Research question:

What is the impact of a high degree of repeat visitors on the innovation behavior of hoteliers?

## In particular:

- What is the role of repeat visitors in the innovation process and how do they get involved?
- What is the outcome of involving repeat visitors in the innovation process?

## Study design

- Exploratory approach
- Case study: Hoteliers with high percentage of repeat visitors & repeat visitors

### Hotel A:

4 star, 82 beds  
About 75% repeaters

### Hotel B:

3(s) star, 38 beds,  
About 65% repeaters

### Hotel C:

4 star, 105 beds, city  
About 40% repeaters

### Hotel D:

3 star, 25 beds  
About 70% repeaters

### Hotel E:

4 star, 45 beds  
About 60% repeaters

## Qualitative interviews

- **Data collection:**
  - 5 semi-structured interviews with hoteliers (family businesses) with a high degree of repeat visitors in the South Tyrolean tourist destination of „Meran and environs“ in autumn 2013
  - 5 semi-structured interviews with repeat visitors in the South Tyrolean tourist destination of “Meran and environs” in autumn 2013
- **Data analysis:** GABEK toolset (qualitative analysis technique) (Zelger, 2000; Pechlaner/Volgger, 2012)

## INTERVIEW STATEMENT

**1**

„Partly, we involve repeat visitors in innovation processes...Those guests, with whom we have a close and friendly relationship, we will involve those more than others. It happens that we discuss new ideas with them and ask for their opinion.“

### Raw data:

Transcribed qualitative interviews

1

## INTERVIEW STATEMENT

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2

## LIST OF KEYWORDS

- Innovation
- Repeat visitor
- Partly involved
- Close relationship
- Discussion
- Discuss new ideas

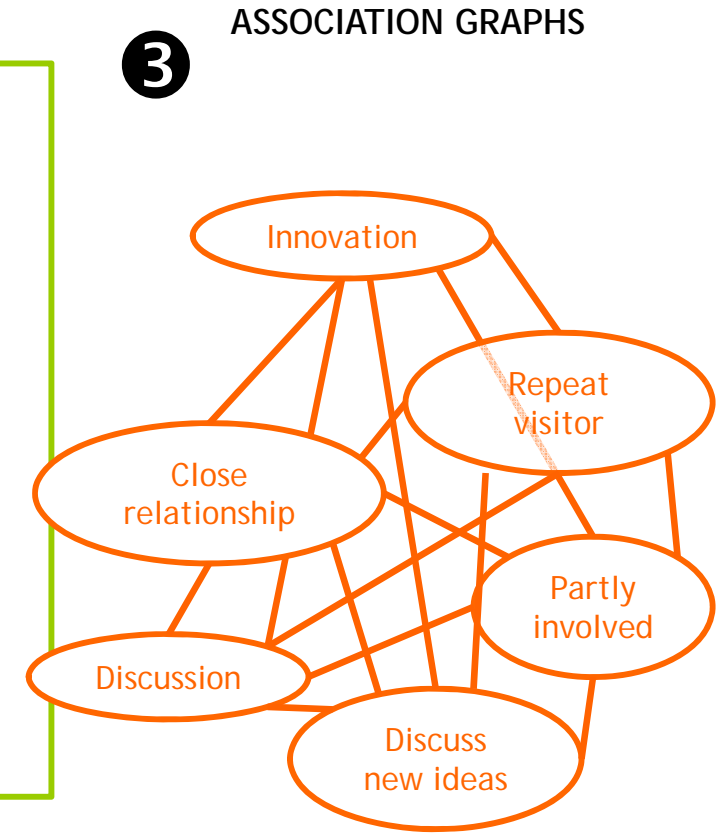
### Complexity reduction:

Representation of the raw text  
in the form of keywords

**1** **INTERVIEW STATEMENT**

„Partly, we involve repeat visitors in innovation processes...Those guests, with whom we have a close and friendly relationship, we will involve those more than others. It happens that we discuss new ideas with them and ask for their opinion.“

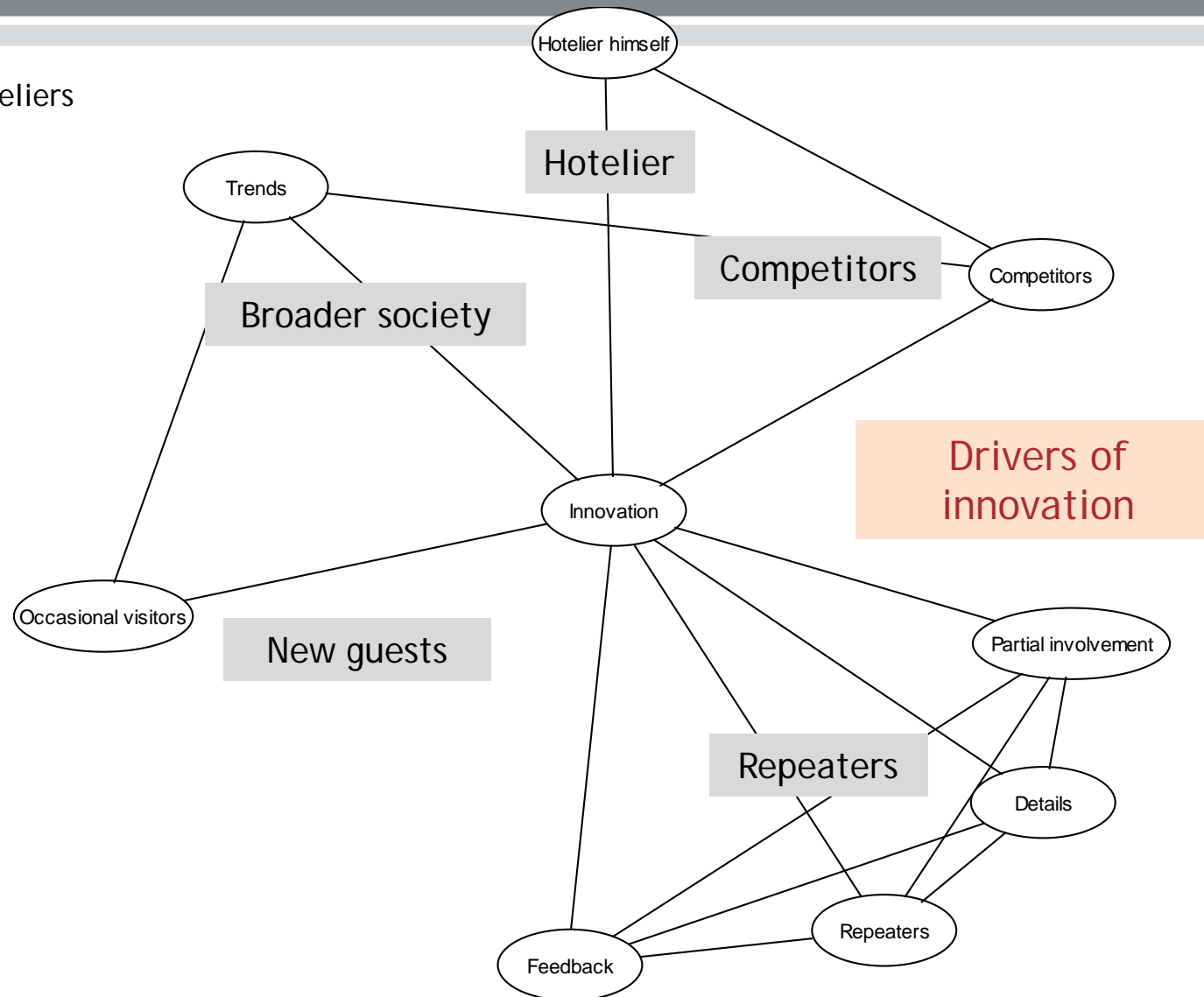
- 2** **LIST OF KEYWORDS**
- Innovation
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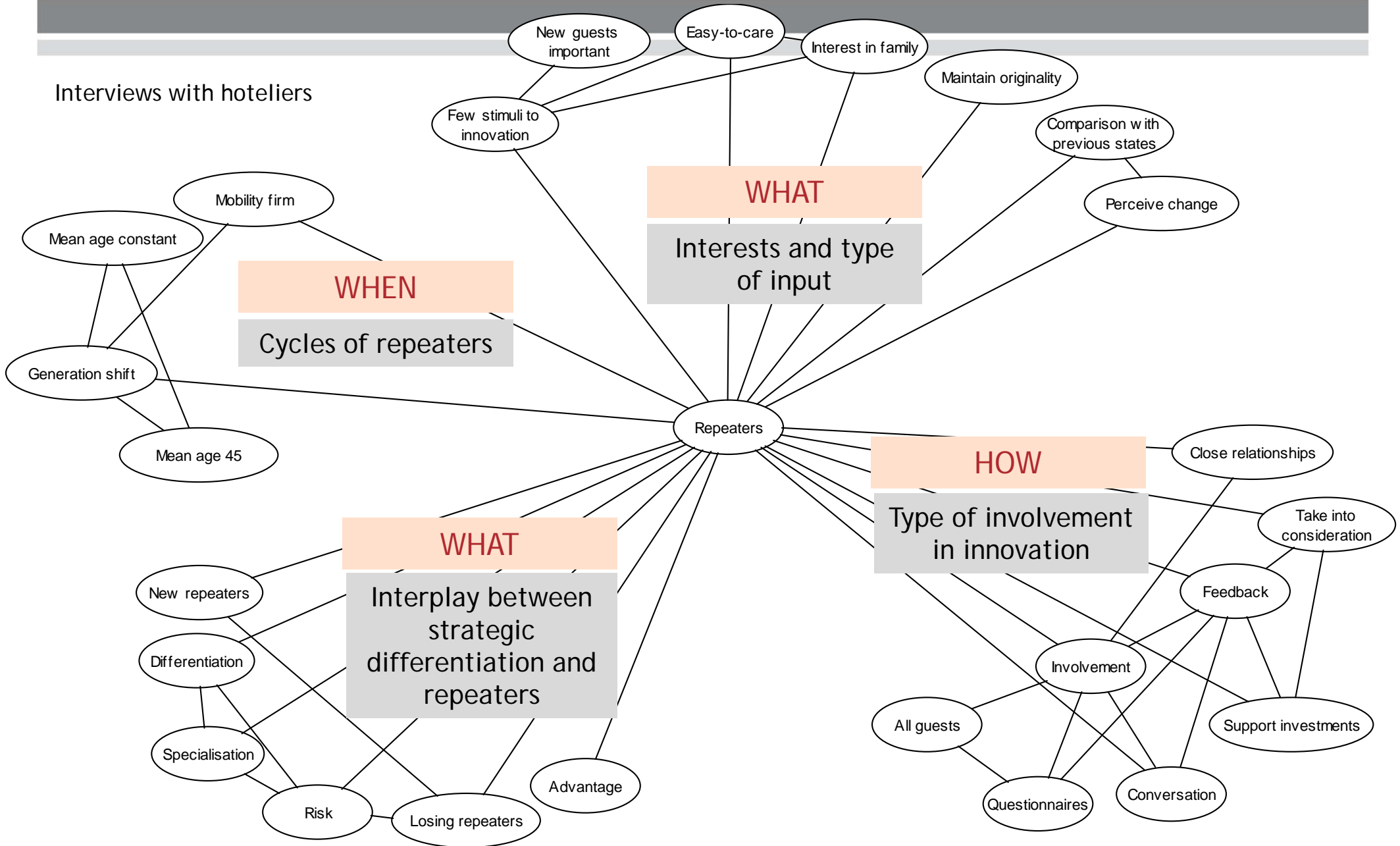
**Restructuring of the system:**

Graphical representation of the raw text in the form of inter-connected keywords

Interviews with hoteliers



Interviews with hoteliers



## Interest and type of input

“Repeaters are easy to care, the only thing they want to know refers to the family. They provide few stimuli to innovation.”

## Cycles of repeaters

“Repeaters that have been returning for 40 years maybe drop. However, their children start returning after years of absence.”

## Cycles of repeaters

“It is true that many return with their family, which were here during adolescence. I note that. ... This leads to the situation that mean age of repeaters remains constant.”

## Interplay between strategic differentiation and repeaters

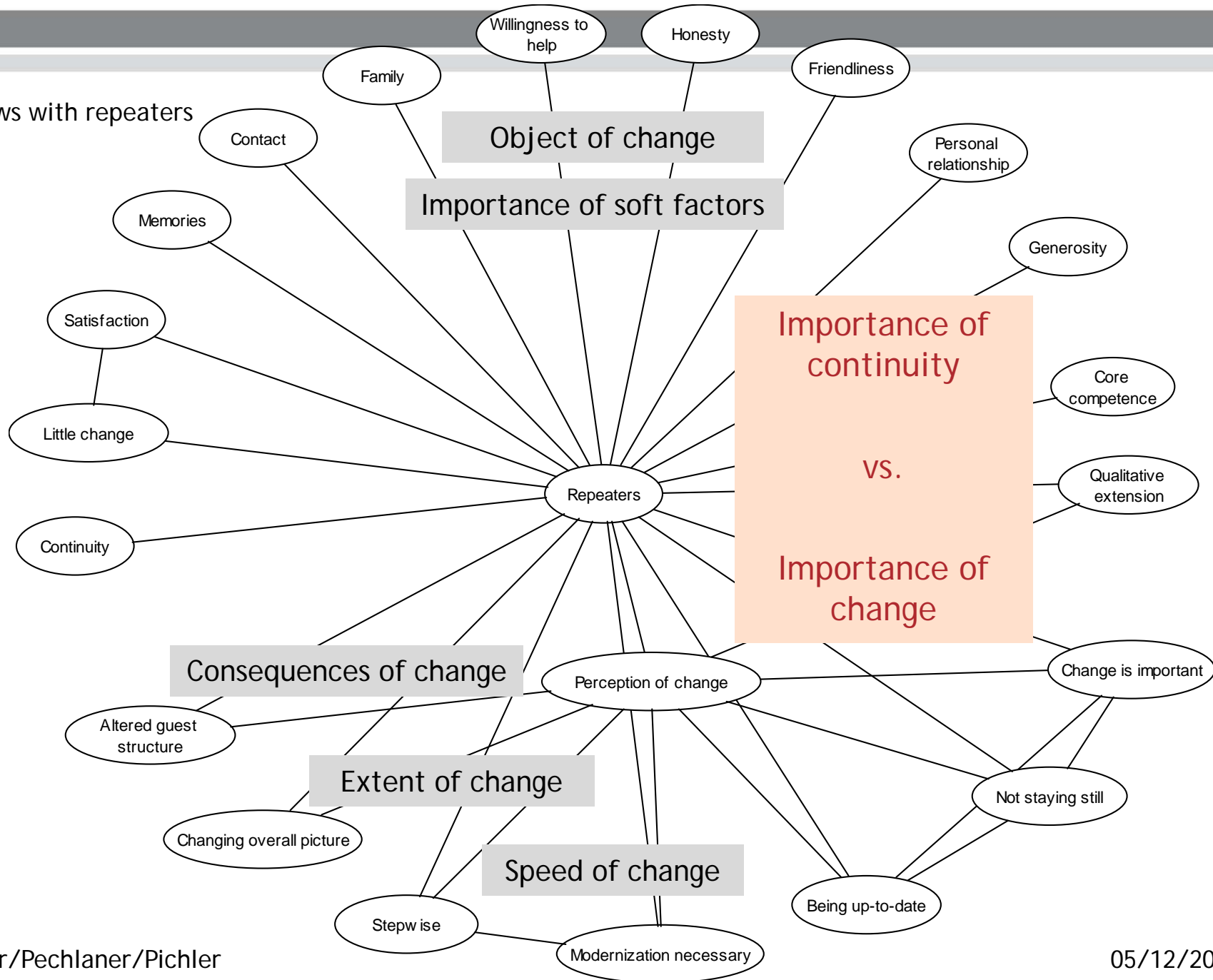
“We have lost many old repeaters by switching type of boarding... However, new repeaters came that were looking exactly for that.”

## Type of involvement in innovation

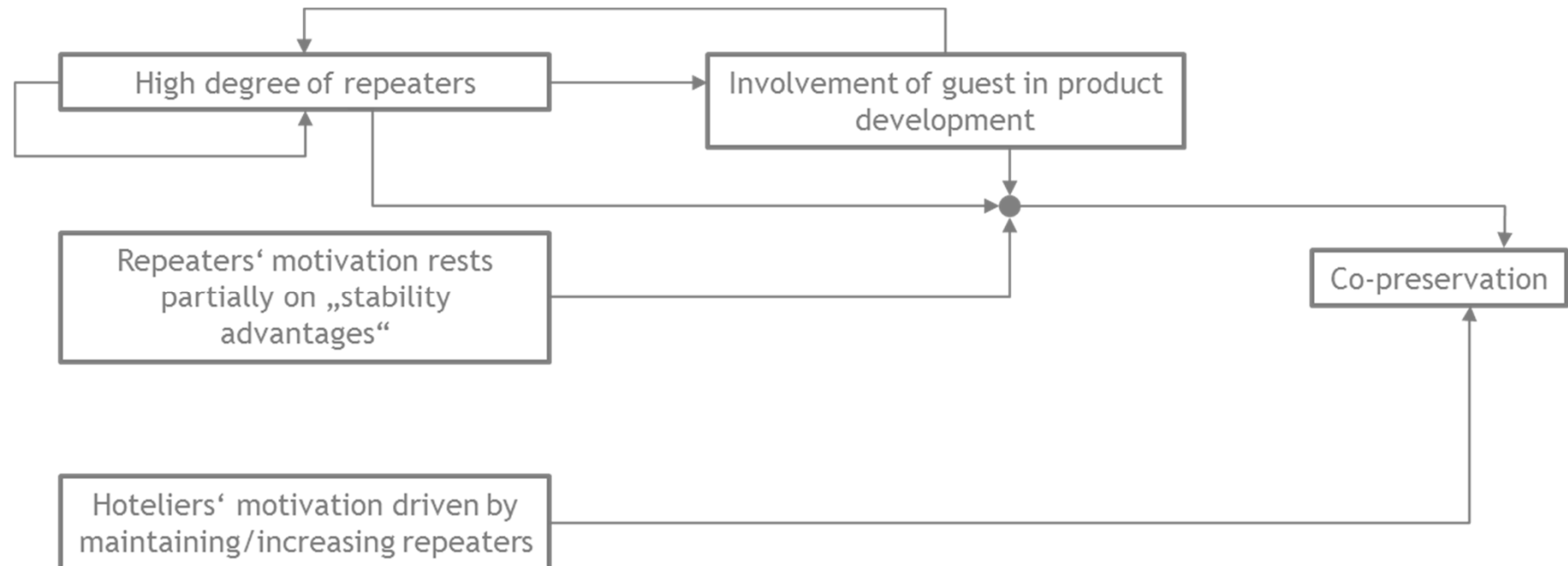
“Repeaters with a close relationship to our family.. We involve them from time to time. However, the decision is ours”



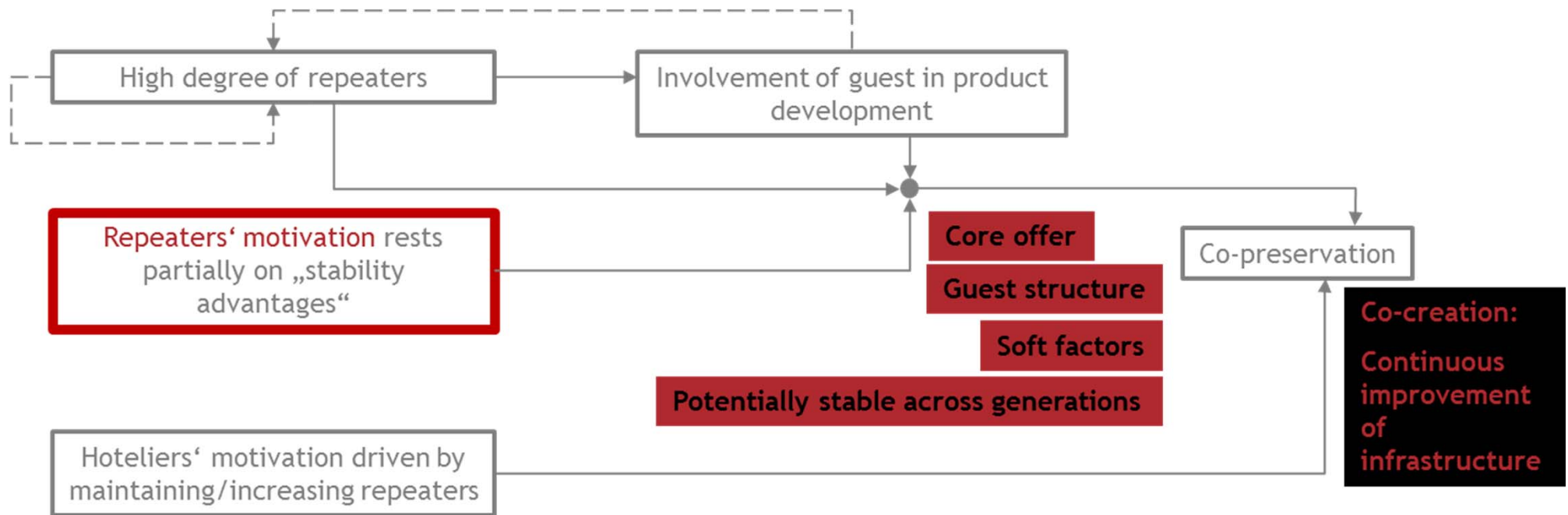
Interviews with repeaters



## Preliminary model based on literature

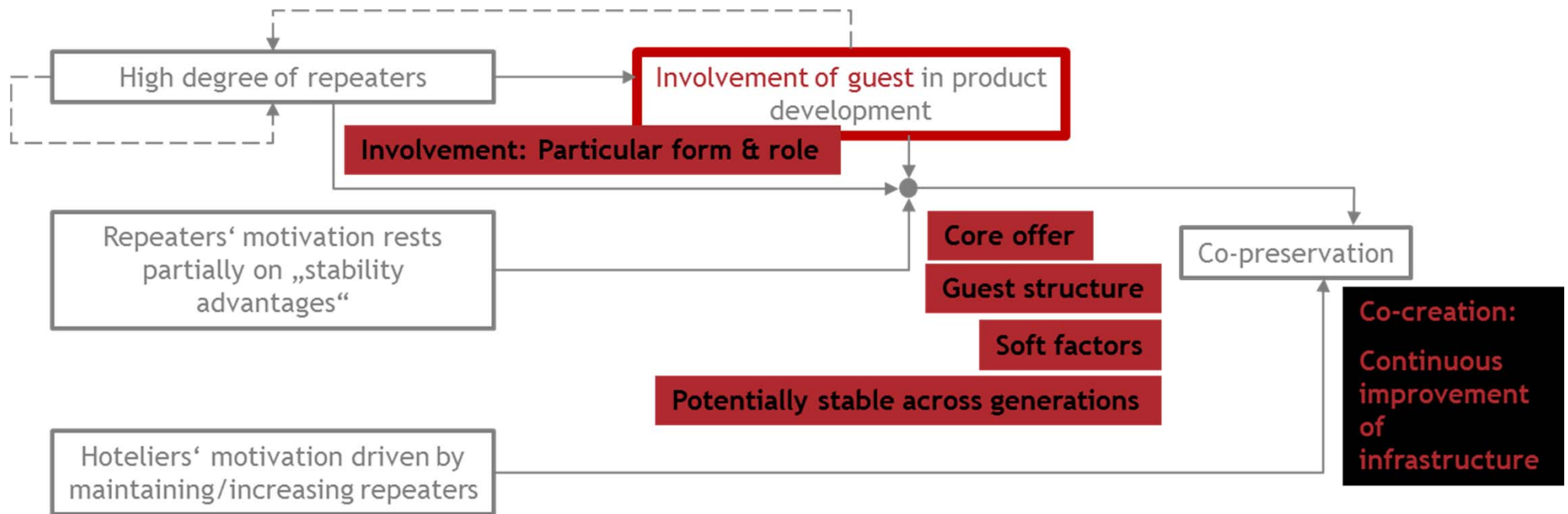


## Preliminary model based on literature: A few qualifications

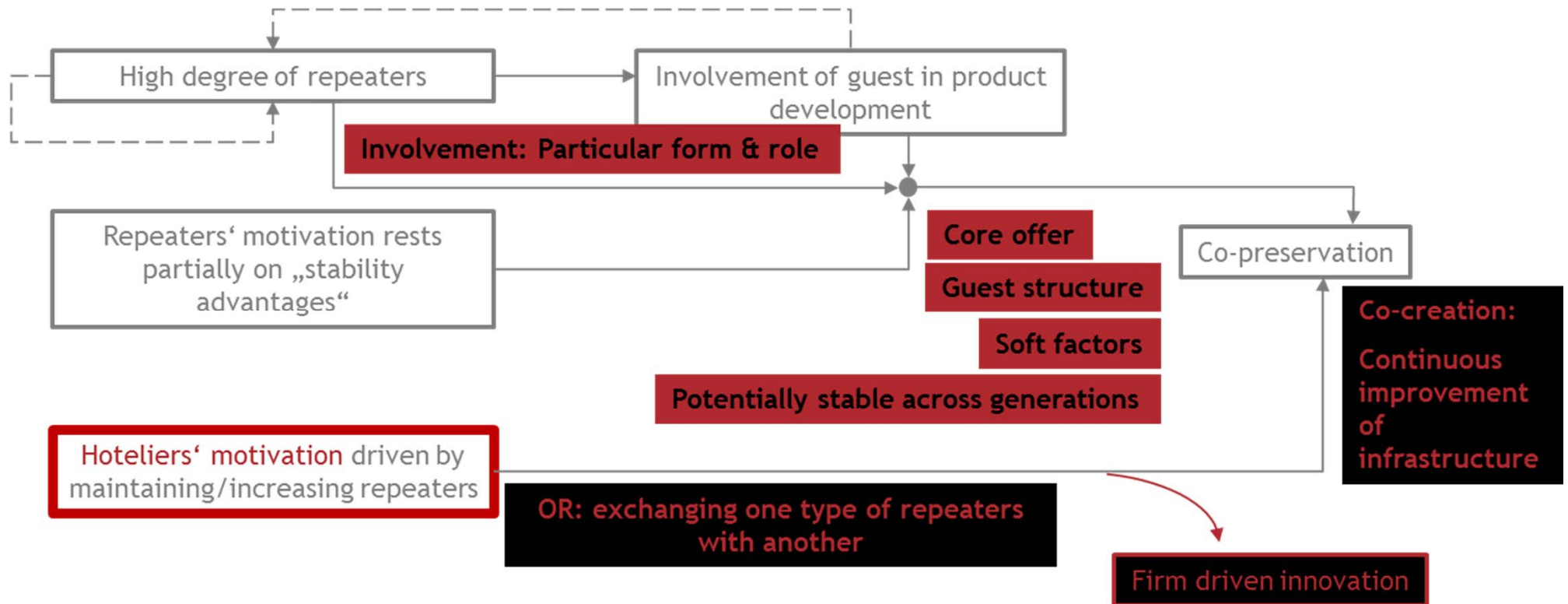


▶ A high degree of repeaters may lead to long-term co-preservation in core offer, soft factors and guest structure; whereas it may promote co-creation concerning continuous improvement of infrastructure

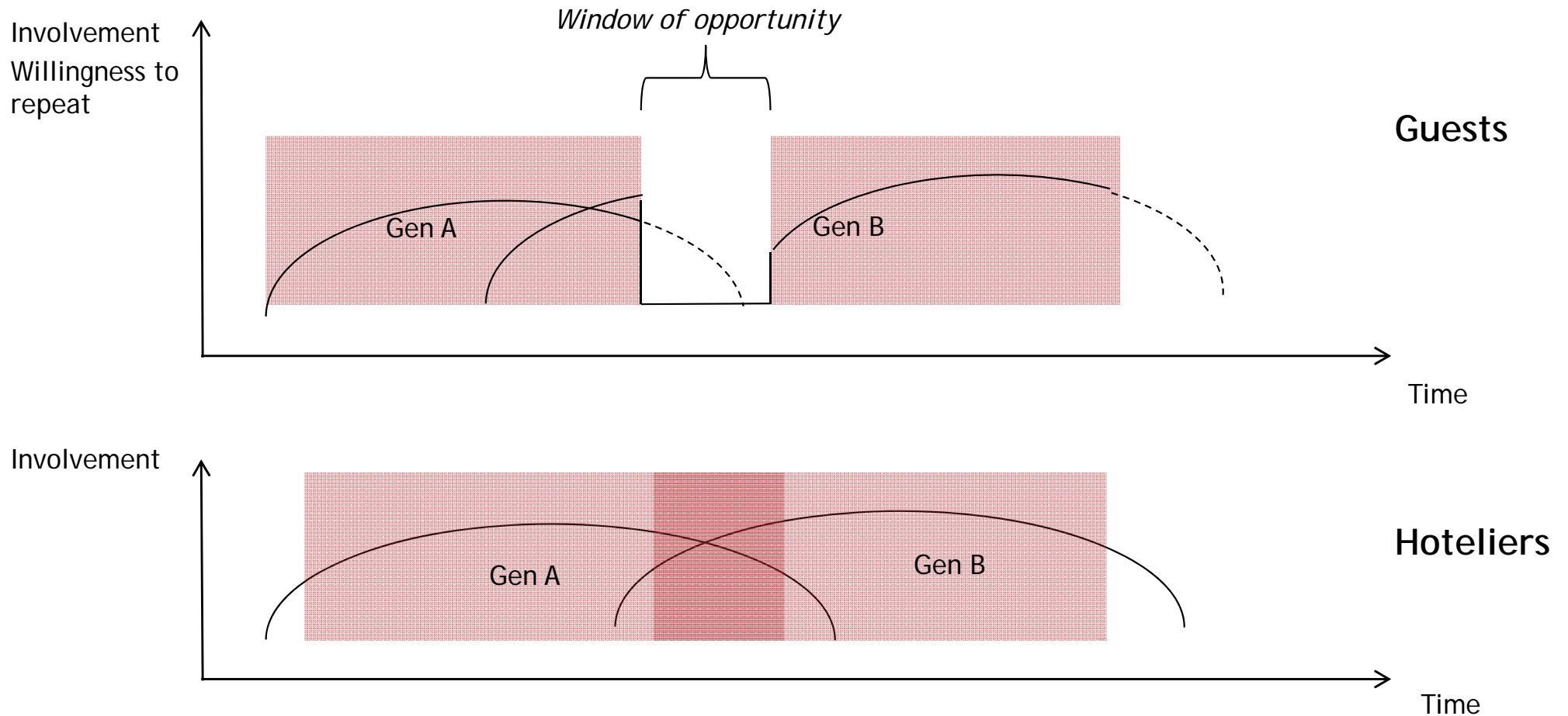
## Preliminary model based on literature: A few qualifications



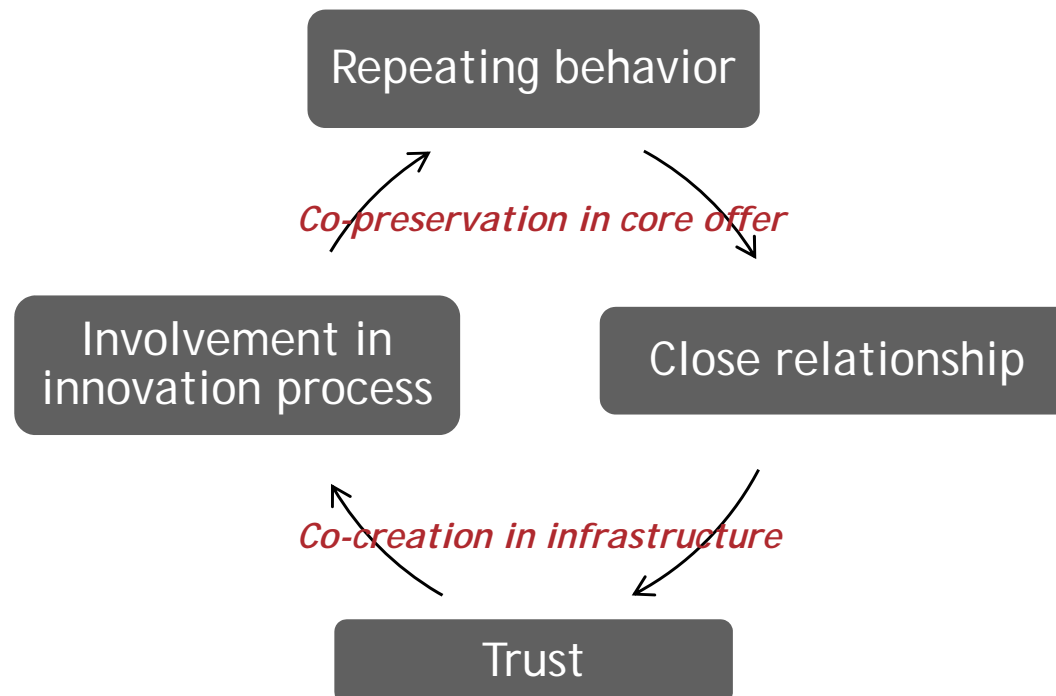
## Preliminary model based on literature: A few qualifications



## Windows of opportunity for discontinuous innovation



- Percentage of repeaters impacts on the innovation behavior of hotels
- Innovation in hotels with a high percentage of repeat visitors exhibits characteristics of a social endeavor
- Innovation as **social exchange relationship** that transcends generations



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