Understanding the domestic market using cluster analysis: A case study of the marketing efforts of Travel Alberta

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Case Study

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ABSTRACT

KEYWORDS: domestic tourism, segmentation, cluster analysis, promotion

Domestic tourism is one of the most neglected and under-researched categories in tourism analysis. This paper reports on a consumer behaviour study by Travel Alberta, which used cluster analysis to segment domestic tourists based on their decision-making behaviour. Discriminant analysis showed that a five-cluster solution correctly classified 93.1 per cent of respondents into the right cluster, and that a statistically significant difference existed between the clusters. The key characteristics making them uniquely different as a group are discussed. The paper then shows how segmentation research can be used to develop a successful promotional campaign by describing the 'Travel Alberta Made To Order' campaign launched as a result of this behavioural study.

INTRODUCTION

An analysis of the marketing programmes of most national, state and community tourism agencies will show that little attention is paid to the substantial domestic tourist market. There is the belief among many tourism marketing agencies that the potential returns on domestic marketing campaigns will be greatly inferior to campaigns aimed at the international traveller.[1] However, destination organisers are beginning to realise the significance of local and provincial residents

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and the impact that they have on tourism receipts. In Canada, several factors have prompted this interest in the domestic market. At the end of the 20th century it was increased international competition and more leisure time for Canadians (and hence a rise in the number of short breaks) that fuelled the new focus. More recently, the impact of terrorism in the USA on the numbers of international visitors, and the subsequent loss of tourism revenue, has inspired tourism officials to pursue aggressively fly-shy Canadians and persuade them to spend their holiday dollars at home in Canada. In fact, in response to the terrorism attacks in New York, the Canadian Tourism Commission (CTC) immediately provided C$15m as part of a $20m marketing initiative to encourage Canadians to experience and travel within Canada.

One region in Canada — Alberta — has recognised the importance of domestic tourism. Alberta is the fourth largest province in Canada, with a population of just under 3 million, and is divided into six tourism destination regions (TDRs): Alberta North, Edmonton and area, Alberta Central, Calgary and area, Canadian Rockies and Alberta South. Each TDR receives equal funding for both marketing coordination and regional tourism marketing services. In 1999 Alberta's total tourism revenues totaled $4.2bn, and the region received 13 million overnight stays; 7.5 million of these were Albertans travelling within Alberta, and along with the 9.2 million same-day visitors from Alberta they spent more than C$2.1bn within the province. An important component of Travel Alberta's marketing plan is the effective marketing of the province to Albertans as a world-class destination close to home in the face of increasing incentives to travel elsewhere. The plan intends to encourage residents to travel more frequently in Alberta and into new areas of the province. However, there has always been a poor understanding of the consumer in Alberta, so part of the 1999 marketing plan included embarking on an in-province travel behaviour study so that future marketing activities could be segmented by demography, sociography, geography, travel interests and preferences of Albertans. This paper reports on that study, highlighting how segmentation research can be used to help develop a successful promotional campaign.

DOMESTIC TOURISM RESEARCH

Domestic tourism has been one of the most neglected and under-researched categories in tourism analysis, commonly viewed as representing one homogeneous market. Market segmentation — the act of dividing a market into distinct and meaningful groups of buyers — has been limited to understanding the more lucrative international tourist market.[2–4] Promotional funds for targeting the domestic tourist have also been traditionally under-represented,[5] despite the fact that domestic tourism accounts for more than 80 per cent of all tourist movement.[6] In fact in many developed countries domestic tourism is now recognised as very much the backbone of the tourism industry.[7] In 1999 in Australia, for example, the federal, state and territory governments and the tourism industry jointly launched an A$16m, three-year initiative to promote domestic tourism.[8]

It was not until the 1990s that researchers started paying attention to domestic tourism, mainly because of its economic potential.[9] For example, Boekstein *et al.* carried out a study in South Africa to determine the level of awareness of domestic tourist attractions among the local population.[10] Other researchers focused on the visiting friends and relatives (VFR) market.[11,12] Seaton and Palmer suggest that this interest in VFR tourism grew because of the recognition that it is a category which is growing worldwide for a whole range of social and political reasons; in some destinations it is the principal source of tourists; and it may be more significant in financial terms than had formerly been thought.[13]

Others say that the key explanation for the salvation of domestic tourism is the rise of the short-break market.[14] Edgar provides a comprehensive account of the dynamics of the short-break market, one he calls 'a distinct and valuable market segment'.[15] He suggests that the growth of the short-break market is part of a long-term trend, fuelled by lifestyle changes, increasing affluence and changes to the holiday product. Greater availability of disposable income among certain sectors of the population, the increase of leisure time and the experience of package holidays abroad and domestically, combined with the need and desire to holiday more than once a year, have led to the development of a group that is willing and able to try new holiday experiences.

However, in terms of understanding the motivations, decision-making process and travel habits of domestic tourists, the previous research has been somewhat negligent. Knowing what factors influence people's travel habits and destination selections is crucial to predicting their future travel patterns. The bulk of motivational research has focused on the two dimensions of push and pull factors, which have been generally accepted in the tourism literature.[16–18] The proposal behind this two-dimensional approach is that people travel because they are pushed by individual internal forces and pulled by the external forces of the destination attributes. However, such studies have been limited to analysing the international traveller.[19–22] Similarly, studies of destination choice have been restricted to the non-resident traveller,[23] so the understanding of domestic tourists remains inadequate.

OBJECTIVES

The overall aim of the research study was to establish a better understanding of the domestic travel market in Alberta as a basis for the development of a marketing campaign. More specifically the research had three main objectives:

- to measure the factors important in choosing Alberta destinations
- to assess the present image and perceptions of the Alberta vacation product among identified market segments
- to understand how travel decisions are made and how travel information is acquired.

METHOD

To accomplish the research objectives, both qualitative and quantitative methods were used to allow for accurate understanding upon which to base decisions. This approach combined two different but complementary methodologies.

Phase 1: Qualitative research

Twelve focus groups were conducted in the six TDRs. These exploratory groups were conducted with residents across Alberta to look at their leisure travel preferences and habits within the province. Literature suggests that the sensitive use of qualitative techniques can contribute immeasurably to better understanding of consumer motivations in vacation selection.[24] The results of these focus groups helped frame and validate questions regarding tourism behaviours for the quantitative survey conducted in Phase 2.

The focus groups of eight to ten participants were conducted between 24th September and 6th October, 1999, with a cross-section of people representing participants aged 18–35, single or married without children; families with children under the age of 18; and couples aged 45+ without children and empty nesters. The final breakdown of location and group composition of the 140 participants taking part in the focus groups is shown in Table 1. The objective for conducting this qualitative exploration of the decision-making process of Albertans was to generate a list of the factors involved when selecting vacation destinations in Alberta (the resulting list of 13 factors can be seen in Table 2).

The findings from the focus groups are reported using quotations, as they are essential ingredients of qualitative enquiry. The use of direct quotes allows the reader both to enter the situation and thoughts of the people interviewed[25] and to engage with the text, hearing the voice of the participants in an unmediated form.[26]

Table 1: Location and composition of focus groups

Location	*Composition*	*Date*
Calgary	Families	30th September, 1999
Calgary	Young adults/couples — no kids	30th September, 1999
Calgary	45+ — no kids/empty nesters	30th September, 1999
Edmonton	Young adults/couples — no kids	28th September, 1999
Edmonton	45+ — no kids/empty nesters	28th September, 1999
Edmonton	Families	4th October, 1999
Lethbridge	Families	24th September, 1999
Medicine Hat	45+ — no kids/empty nesters	25th September, 1999
Edson	Families	27th September, 1999
Red Deer	Young adults/couples — no kids	29th September, 1999
Grande Prairie	45+ — no kids/empty nesters	5th October, 1999
Fort McMurray	Young adults/couples — no kids	6th October, 1999

Table 2: Factors that influence travel decisions

Influencing factors on travel decisions
Quality of accommodations
Cost/value for money spent
Sense of safe and secure environment
The variety of activities offered
Children's sport or competition schedules
Visiting friends and relatives
Children/family-oriented activities
Packages or discounts
Awareness (through the media or friends)
School holidays
Weather conditions
Small town events and attractions
Large city events and major attractions

Phase 2: Quantitative research

Survey research was conducted with a sample of 13,445 Albertans. Telephone surveys were conducted between October and December 1999, and took an average of 35 minutes to complete. Screening criteria required the respondent to be over 18, and to have traveled within Alberta on at least one overnight leisure trip in the previous 12 months, for a distance of no less than 80km from home. A randomly generated sample list of Albertans was purchased, and 15 computer-assisted telephone interviewing (CATI) stations were used to allow interviewers to key answers directly into SPSS. The survey was divided into six main sections: travel decisions for making trips in Alberta; travel product perceptions; travel factors that influence people to take trips in Alberta; perceptions of activity packages; media and information needs; and demographics.

Basic frequency tables were generated for each question, and data were compared across regions to identify patterns of similarity and difference among the tourists regions. Cluster analysis was then used to search for relatively homogeneous groups of shared characteristics within given populations. Cluster analysis is a statistical technique that places respondents into groups or 'clusters', so that those within each group are more similar to each other than they are to members of other groups. Cluster analysis is often used for its ability to produce a classification where there is little a priori knowledge about the number of categories that will be formed and who the members of these categories will be.[27,28] Cluster analysis has been used in numerous tourism studies, and a review of the literature reveals that the method has been employed to segment tourists by activity or participation,[29,30] perceptions,[31,32] benefits sought,[33] experience patterns,[34] motivation,[35,36] information search strategies[37] and tourist role typology.[38] For this study, the 13 variables used came from the question that asked respondents to indicate how much influence a list of certain factors had on their travel decisions (see Table 2).

A K-means method of cluster classification was employed to manipulate the travel data, and a series of solutions ranging from two clusters to six clusters were produced and examined. Additional analysis was conducted to determine which cluster solution provided the most useful market segments. To do this, discriminant analysis was conducted on all of the cluster solutions. Discriminant analysis essentially tests the accuracy of the cluster classification by estimating the likelihood that a respondent belongs to a particular cluster.

RESULTS OF FOCUS GROUPS

As stated previously, the key objective for conducting the focus groups was to generate a list of factors that influence travel decisions for Albertans (see Table 2). However, the focus groups were generally exploratory in nature and were also used to help frame and validate questions regarding tourism behaviours for the quantitative survey in Stage 2.

Image and perceptions of Alberta vacation products

Clearly, natural beauty is the prime motivator among these travellers for choosing the destinations they do, and many of them maximise on that by camping. When they think of an Alberta vacation they think of 'relaxation', 'peacefulness' and 'natural beauty'. The participants used words like 'unspoiled' and 'new discoveries'. Most are looking for something new and different: 'I want to explore and do new things'; 'I think of rest, relaxation and tranquility'; 'I see it as going to see something new every time'. Albertans are looking for an experience, and are activity oriented regardless of their age. Favourite activities include hiking, visiting museums, backpacking, going to national parks, camping, kayaking, visiting historical sites and exploring and discovering. When questioned about packages, most started out by saying that 'we are not package people'. However, all were intrigued by the idea of packages that offer value. People liked the idea of hotel and activity packages that could include a free meal or a free breakfast. Families liked the idea of packages best, while the 45+ groups were less inclined to be interested in the overall concept. 'We like to make our own schedule. I think a holiday by definition is to be able to do what you want, when you want.' Families want a combination of safety and trust built into their packages. They 'trust Disneyland' and feel safe there; they want that same feeling at home, and will spend more for that safe environment.

Decision-making process

Decision making is a joint process between couples and among friends when there are no children. Families tend to make their vacation plans around family activities, school events and competitions, and parents agree that children are highly influential in making decisions about destinations. The younger-single market segment, 18 to 35 years of age, is interested in accumulating experiences and travelling with friends while budgeting on accommodation: 'I like to go places where I don't know anyone, where I don't see people. I just want to go where it is quiet and basically still pristine.' There also appears to be a trend to take numerous short trips to the same places: 'We usually go back to the same places because we know what is there and we have fun.' The 45+ participants tend to travel more than other groups to historical sites and museums. They go in tents and holiday trailers, and take more time to visit places of interest.

Information

Information on travel in Alberta is gathered in a variety of ways, the most popular being word of mouth, the Alberta Motoring Association (AMA), tourism information centres and brochures. The consensus is that there is not a lot of information available about things to do in Alberta, and there are still a lot of well-kept secrets that are poorly advertised. The bottom line is that people would do more if they knew about all of the things to do. The idea of an Internet site for Travel Alberta was appealing to most regardless of their age category. Some felt a site should be regularly updated to reflect elements like pricing, so they would always be aware of what to expect. When it comes to the brochures, they believe they need to be glossy, picturesque and full of content.

RESULTS OF QUANTITATIVE RESEARCH

Overall, 22 per cent of telephone calls resulted in a completed interview (3,017). Of the 78 per cent that were not completed, 58 per cent refused participation, another 22 per cent were ineligible, 10 per cent of numbers were not in service and the remaining 10 per cent were unreachable. Table 3 outlines the various sample sizes and margins of error for the sub-samples. A sample size of 3,017 provides an overall margin of error at ±1.78 per cent, 19 times out of 20. At a 95 per cent confidence level, these statistical parameters mean there is a 5 per cent probability that the sample population data would not reflect the larger population, plus or minus the margin of error.

Province-wide findings

When it comes to taking a short leisure trip (one to three nights away from home), on average Albertans are prepared to travel for 342km, or for a period of four hours. Just over half (57 per cent) plan for a trip such as this for one to four weeks in advance. The top activities on leisure trips are visiting family and friends (75 per cent), taking trips that involve outdoor recreation (67 per cent) and visiting resort towns and attractions (39.5 per cent). People who visit family and friends tend to make an average of 5.8 trips per year, while outdoor recreation accounts for an average of 4.5 trips per year, and those that visit resorts and attractions make an average of 2.6 trips a year.

The top three factors that influence people when they make decisions about where to take a trip in Alberta are cost and value for money spent, having a sense of being in a safe and secure environment and making a visit to family and friends. When asked to rate statements about travelling within the province, most said that the mountains, forests and parks make a trip in Alberta special. Next to that, they like to take trips in Alberta where they can explore and do new things.

Overall most prefer to choose their activities when they get to their destination. If activity packages were available, 77 per cent said they would be more likely to consider discount packages that offer a variety of choices of activities and/or events, and 74 per cent would be attracted to packages that offer tickets to a special event and include transportation, hotel accommodations and some meals. Another 70 per cent would consider a package that offers self-guided sightseeing tours to outlying attractions or events, and includes nightlife and hotel accommodations.

The majority of Albertans (57 per cent) feel they are 'somewhat well informed' about travel opportunities that exist within the province, and less than a third (27 per cent) feel 'well informed'. The remaining 16 per cent feel they are 'not very well informed at all' about travel opportunities within Alberta. Word of mouth (47 per cent) is the primary source of information people rely on for knowing about places to go and things to see in Alberta. While a third (34 per cent) rely on the newspapers, 24 per cent go to the AMA and almost as many (23 per cent) go to tourist information centres. The information they look for in order to plan their leisure trips are accommodations, leisure activities that are near their destination, the costs and campgrounds and hiking trails in the area.

Table 3: Sample sizes for the five clusters

Cluster	*Sample size*	*Margin of error %*
Cluster One	421	±4.78
Cluster Two	474	±4.50
Cluster Three	361	±5.16
Cluster Four	360	±5.16
Cluster Five	610	±3.97

CLUSTER PROFILES

In this study, discriminant analysis showed that the five-cluster solution correctly classified 93.1 per cent of respondents into the right cluster, and that a statistically significant difference existed between the clusters. To put a face to the clusters, names were assigned that are indicative of the key characteristics which make them uniquely different as a group. A summary setting out, and comparing, all of the characteristics of each cluster can be found in Table 4. A more detailed discussion of each of the five clusters follows below.

Cluster One: The young urban outdoor market

The youngest of all clusters (average age 38 years), the young urban outdoor market is made up equally of males and females and over 20 per cent are single. An important niche within the cluster is the young student population with time and dollar constraints. School schedules, visits to family and friends and budgets are all factors that influence their decision to take a trip. These sporty life lovers are very active outdoor enthusiasts. Whether it is recreation, winter sports, summer sports or leisure activities, the young urban outdoor market does it outside. Camping, hiking, golfing, fishing, skiing, horseback riding, concerts and music festivals, shopping, rodeos and sports tournaments indicate the span of activities that the young urban outdoor market are involved in when they take an overnight trip in Alberta. Word of mouth is not only a key source of travel information, but it is also the most effective way to communicate with this cluster. Of all clusters, this market segment shows the highest use of the Internet for getting travel information.

Cluster Two: The indoor leisure traveller market

The second youngest of all clusters (average age 41 years), the indoor leisure traveller market is very much a female cluster; almost 70 per cent are female. Married, with children and lower household incomes, this cluster lives more in the non-urban regions of Alberta's north, heartland and south. Budget and visiting family and friends are key factors affecting their decision to travel. The indoor leisure traveller market is very much leisure oriented. Indoor museums and resorts are all key activities they like to do when on an overnight trip in Alberta. Willing to travel further in distance and time than other clusters, the indoor leisure traveller likes shopping, fine hotels, horseback riding, sightseeing and campfires. Word of mouth, television and magazines are key sources of travel information for this market.

Cluster Three: The children-first market

The children-first market is the only cluster to say children's sports and competition schedules have a high influence on them taking trips in Alberta. Either male or female, with an average age of 43 years, this cluster is married with more children than any other cluster. Spread around all tourism regions, the children-first market has the highest income of all clusters. Consequently, budget is not a factor that influences travel decisions, and they are not apt to using discount coupons. While travel activities range across the outdoor spectrum, activities for the children-first market tend to revolve around children and family. Banff, Jasper, Kananaskis and Edmonton are all favourite locations where they like to camp, hike, golf and shop. Word of mouth and television are the most effective ways to get information about accommodations, prices and leisure activities to the children-first market.

Cluster Four: The fair-weather friends market

The second oldest cluster (average age 44 years), the fair-weather friends market is only influenced to travel by family or friends and weather conditions. With a low marriage rate, few children and slightly more males in the

Table 4: Summary table with characteristics of each cluster

Cluster One *Young urban active outdoor* *N = 520,730*	*Cluster Two* *Indoor leisure traveller* *N = 586,285*	*Cluster Three* *Children-first traveller* *N = 446,516*	*Cluster Four* *Fair-weather friends* *N = 445,280*	*Cluster Five* *Older cost-conscious traveller* *N = 754,501*
18.9%	21.3%	16.2%	16.2%	27.4%
Demographics				
M = 49% F = 51%	M = 31% F = 69%	M = 50% F = 50%	M = 59% F = 41%	M = 44% F = 56%
Average age: 37.5	Average age: 40.2	Average age: 42.5	Average age: 44.2	Average age: 44.8
12% under $25,000	12% under $25,000	7% under $25,000	10% under $25,000	11% under $25,000
16% $100,000+	9% $100,000+	19% $100,000+	13% $100,000+	11% $100,000+
66% married	70% married	75% married	62% married	62% married
23% not married	13.5% not married	9% not married	21% not married	18% not married
Children: 54%	Children: 63%	Children: 66%	Children: 33%	Children: 30%
Edmonton: 38.5%	Edmonton: 25%	Edmonton: 30%	Edmonton: 34%	Edmonton: 33%
Calgary: 32%	Calgary: 23%	Calgary: 27%	Calgary: 27%	Calgary: 28%
North: 14%	North: 18%	North: 15%	North: 16%	North: 14%
South: 8%	South: 17%	South: 13%	South: 12.5%	South: 13%
Heartland: 8%	Heartland: 17%	Heartland: 13%	Heartland: 11%	Heartland: 12%
Decision factors (in order of influence) in descending order				
School holidays	Sense of safe and secure environment	Children's sports/ competitions	Visit family and friends	Sense of safe and secure environment
Cost/value for money spent	Cost/value for money spent	Sense of safe and secure environment	Weather conditions	Cost/value for money spent
Sense of safe and secure environment	Weather conditions	Cost/value for money spent		Weather conditions
Visit family and friends	Packages or discounts	Children/family-oriented activities		Quality of accommodations
Weather conditions	Visit family and friends	Visit family and friends		Visit family and friends
Variety of activities offered	Quality of accommodations	Variety of activities		
	Children/family activities	Weather conditions		
	School holidays	School holidays		
	Large city attractions			
	Small town events and attractions			

Table 4: (*continued*)

Cluster One *Young urban* *active outdoor*	*Cluster Two* *Indoor leisure* *traveller*	*Cluster Three* *Children-first* *traveller*	*Cluster Four* *Fair-weather* *friends*	*Cluster Five* *Older cost-conscious* *traveller*
Travel statements				
Mountains, forests and parks Explore and do new things	Mountains, forests and parks Explore and do new things	Mountains, forests and parks Explore and do new things	Mountains, forests and parks Explore and do new things	Mountains, forests and parks Explore and do new things
Most popular travel activities (top four)				
Visiting friends and relatives Outdoor recreation Resort towns and attractions Indoor leisure activities	Visiting relatives and friends Outdoor recreation Indoor leisure activities Resort towns and attractions	Visiting relatives and friends Outdoor recreation Resort towns and attractions Indoor leisure activities	Visit family and friends Outdoor recreation Outdoor summer sports Outdoor leisure activities	Visit family and friends Outdoor recreation Resort towns attraction Indoor leisure activities
Activity packages people would consider				
Discount packages with variety tickets to special events with extras Self-guided tours Hiking, lodgings, catering, campfires and cabins	Discount packages with variety tickets to special events and extras Self-guided tours Hiking, lodging, catering, campfires and cabins Shopping, theatre, fine dining and hotels Separate activities	Discount packages with variety tickets to special events and extras Self-guided tours Hiking, lodging, catering, campfires and cabins	Tickets to special events and extras Discount packages Self-guided tours Hiking, lodgings, catering, campfires and cabins	Discount packages Tickets to special events and extras Self-guided tours Hiking, lodging, catering, campfires and cabins Shopping, theatre, fine dining and hotels
Self-designed packages (in order of preference)				
Outdoor recreation Accommodation Outdoor summer sports Outdoor leisure activities Meals	Outdoor recreation Accommodation Outdoor leisure activities Outdoor summer sports Meals	Outdoor recreation Accommodation Outdoor summer sports Outdoor leisure activities Meals	Outdoor recreation Outdoor summer sports Outdoor leisure activities Accommodations Meals	Outdoor recreation Accommodation Outdoor summer sports Outdoor leisure activities Meals

continued overleaf

Table 4: (*continued*)

Cluster One *Young urban* *active outdoor*	*Cluster Two* *Indoor leisure* *traveller*	*Cluster Three* *Children-first* *traveller*	*Cluster Four* *Fair-weather* *friends*	*Cluster Five* *Older cost-conscious* *traveller*
Sources of information used (in order of preference)				
Word of mouth Newspapers Tourist Info Centres Internet Other (radio and travel Alberta) AMA	Word of mouth Newspapers AMA Tourist info centres Other (Travel Alberta and radio television)	Word of mouth Newspapers AMA Other (Prior experience and radio) Internet	Word of mouth Newspapers Other (radio and prior experience) Internet Tourist info centres AMA	Word of mouth Newspapers AMA Other (radio and prior experience) Television Internet
Percieved effectiveness of communication methods				
Word of mouth Television	Word of mouth Television Campground guides Tourist info centres Newspapers AMA Glossy brochures Magazines	Word of mouth Television	Word of mouth	Word of mouth Television

Note: The N = at the top of each column refers to the provincial population that falls into these clusters. The % represents the percentage of the population who are likely to fall into the individual clusters.

cluster, visiting family and friends is a key factor in making a travel decision. With moderate incomes and few budget concerns, the fair-weather friends market has the time and resources to travel. While the cluster does participate in a full range of activities when on a trip, their incident rate of activities is lower compared to the previous clusters. Banff, Kananaskis, Lake Louise and Edmonton are favourite locations for them to camp, hike, ski, golf, fish, hunt, sightsee and horseback ride while visiting family and friends. The best informed of all clusters, the fair-weather friends know a lot about the province and places to visit. Word of mouth, newspapers, the Internet and tourist information centres are key sources of travel information for this cluster; however, word of mouth and television are considered the most effective.

Cluster Five: The older cost-conscious traveller market

The oldest cluster (average age 45 years), the older cost-conscious traveller market is influenced by cost/value for money spent and the sense of a safe and secure environment. This slightly female-oriented cluster is married, but with a high proportion of divorced, widowed and/or single status. Their middling to lower incomes are reflected in their budget and travel expense concerns, along with a high coupon use. While outdoors oriented, the older cost-conscious traveller market is more likely to take part in summer sports and leisure activities when travelling in Alberta. Banff, Lake Louise and Jasper are favourite locations to camp, hike, ski, golf, horseback ride, shop and sightsee. With more information and awareness of travel opportunities, this market would take more trips. Word of mouth, newspapers, the AMA, tourist information centres and television are the most effective means for getting travel information to this cluster group.

IMPLICATIONS

There are clearly some striking similarities between the clusters, as seen in Table 4. These include the fact that there is a general limited view of travel opportunities, reflected in an overall preference for just 'mountains, forests and parks', even though Albertans want to 'explore and do new things'. For all the clusters, VFR and participating in outdoor recreation were the two main reasons for travelling in Alberta. In addition, the most effective way for providing Albertans with information regarding destinations, activities and special events within the province, and the one they rely on the most, is word of mouth. Albertans were also intrigued by the idea of packages that offer value. This was a significant finding, in that few tourism operators in Alberta were offering packages to Albertans at that time, and their experiences of packaging tourism products and services was quite limited. But although Albertans do have these commonalities, the results show that the domestic market in Alberta can be divided into distinct segments with key characteristics that make them uniquely different as a group. Cluster Three, the 'children-first' market, for example, was a group that had not previously been identified in any research study, and yet represents nearly half a million potential travellers. The 'fair-weather friends' cluster was also unique in that it was only influenced to travel by family or friends and weather conditions.

The study has a number of theoretical implications. Firstly, it has shown the power of cluster analysis for revealing relatively homogeneous groups of shared characteristics within given populations. The results also support previous research that suggests that the VFR market is a significant part of domestic tourism and deserves more recognition.[39,40] This segment in Alberta takes nearly six trips a year, while outdoor recreation accounts for an average of 4.5 trips per year, indicating that the short-break market is also a distinct and valuable tourism segment, as proposed by Edgar.[41] Further research cross-culturally could explore both these important segments of domestic tourism. Future research could also seek to understand the constraining as well as the facilitating factors when attempting to identify potential domestic tourists. The lack of research on non-users and their associated constraints represents an important gap in tourism behaviour research.[42] For Travel Alberta, a key challenge for the future is to transform latent or potential demand into existing demand.

Despite the important implications of this study, it does have its limitations. The focus groups may not have been representative of the wider population, and the survey results are relevant only to the samples used in the study. Therefore a similar study may not produce similar responses in other domestic markets around the world. However, the findings may provide some useful guidelines for other destinations and managers of tourism organisations wishing to explore the potential of their domestic tourism market.

Of course, an effective market segmentation study should result in the more efficient and effective use of marketing and promotional dollars, especially in advertising,[43] and the resulting Travel Alberta promotional campaign sought to utilise the data generated from the research.

THE RESULTING MARKETING CAMPAIGN

It was recognised that Alberta's tourism marketing needed to offer a brand image that acknowledged the joint consumer desires for mountains, forests and parks, and for exploring and doing new things. The 'Alberta, Made To Order' umbrella marketing programme was designed to accomplish this task. Initial research showed that consumers link this phrase ('Alberta, Made To Order') to the concept of customisation and suitability — the delivery of an ideal vacation built to satisfy their needs. The brand image was designed for use by both Travel Alberta and Alberta's tourism industry. The goal of the programme was to move Albertans into all six regions of the province, alter current travel preferences and increase the amount of travel within Alberta. It also integrated brand image with industry partnerships and could be altered to tie into industry initiatives like 'Golf Made To Order', 'Alberta's North Made to Order' and 'Edmonton Made to Order'. A detailed brochure produced for the industry encouraged individual tourism organisations to consider packaging/product partnership programmes.

Working with a variety of partners (over 80 projects with cooperative funding were launched), Parcom Travel (Travel Alberta's in-province marketing agent) created and developed strong awareness of travel programmes using TV, radio, newspaper and other promotional vehicles to stimulate people to spend more time travelling in Alberta, primarily through the concept of short getaway breaks. Throughout all vehicles of communication, information was carefully created to speak directly to Alberta's five different consumer tourism segments as identified in the research. Articles and components were timed to appeal to consumer interest in particular areas of the province (while ensuring a strong representation of all six regions and product clusters). The communication vehicles also provided Alberta's tourism industry with ongoing opportunities to buy into, and provide their 'call to action', through advertising participation aimed at spurring industry sales.

The consumer survey established that television, followed by newspapers and glossy publications, were the preferred media for tourism promotions. Two 30-second commercials were therefore developed to create high awareness of the new branding. Launched in May 2000, the 'Alberta Made to Order' television commercials were seen by more than 90 per cent of adults 54 years and under about 20 times by the end of June. Taking the 2000 programme beyond the awareness created by the commercials, Travel/Alberta.com and Travel Alberta's 1-800 number were promoted in all media materials. The programme also included Travel Alberta's 72-page summer magazine, and weekly one-to-two-page travel features in the *Edmonton Journal* and *Calgary Herald* as well as in selected weeklies and rural tabloids. The editorial style was personal in a response to the research that indicated that word of mouth was the most reliable form of communication for Albertans. A special-event motor-home also delivered tourism product information at events and locations around the province all summer. In addition, Travel Alberta worked with a media sponsor in taking video shots around the province of Albertans as they visited various events or destinations. Albertans who spotted themselves as 'stars' on television could call in and win prizes.

From independent surveys conducted at the conclusion of the 2000 campaign and compared to similar surveys done in 1997 and 1998, Travel Alberta discovered that the percentage of survey respondents who had Alberta as a 'top-of-the-mind' travel destination had increased by more than 20 per cent. The percentage of survey respondents aware of slogans, themes or catchy phrases promoting travel in Alberta had increased by more than 13 per cent.

CONCLUSION

This study has indicated that the domestic market can be divided into distinct segments based on the influence certain factors have on travel plans. Therefore, the common 'one-market' approach to viewing domestic tourists is highly questionable and the practice of aggregating distinctly different groups of travellers appears to be masking potentially viable niche markets within domestic travel. It seems advisable, therefore, to suggest that any marketers targeting domestic tourists use a segmented strategy.

The domestic tourist market in Alberta is definitely not homogeneous, but does have certain common characteristics. Albertans have an overall preference for recreating in mountains, forests and parks, they want to explore and do new things and they are attracted to the idea of packages. The 'Made To Order' campaign launched as a response to these findings is an excellent example of a research-based marketing programme, and will hopefully provide some useful guidelines for other destinations and managers of tourism organisations wishing to exploit the potential of domestic tourism.

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