SALIENT FACTORS IN THE DECISION-MAKING OF DOMESTIC PACKAGED TOURS IN SOUTH AFRICA

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Abstract: This article argues that perceived risk is an inhibitor for the emerging domestic market to entrench a culture of going on holiday, which is necessary for the sustainable development of tourism in South Africa. Packaged tours provide convenience, and both psychological and financial security in a single transaction which can be considered a surrogate for the benefit of risk avoidance when visiting friends and relatives. A survey was conducted in the most promising region namely the province Gauteng, amongst the potential market to elicit the most important decision criteria for selecting domestic packaged tours, from 46 variables. A factor analysis revealed only one dimension, or salient factor with 15 variables, elucidating risk avoidance, which is the determinant attribute or essence of package tours. The results may be used by the Department of Tourism to promote domestic tourism, and by new and small tour operators to improve decision-making and render competition more knowledge-based. It would thus serve the needs of both tourist buyers and tourism sellers and contribute to sustainable development.

Key phrases: *inclusive tours, domestic tourism, salient decision criteria, product bundling, group package tour attributes.*

1 INTRODUCTION

It is a strategic objective of the Department of Tourism (NDT) to encourage domestic tourism in order to entrench a culture of travel amongst South Africans for sustainable tourism growth (NDT 2010a:6). For sustainability a vibrant domestic market is required as it supports innovation and international tourism marketing (Rule, Viljoen, Zama, Struwig, Langa & Bouare, 2004:80). Not many South Africans travel for holiday purposes or consume traditional tourism products and services such as paid for accommodation, tour busses and rental cars, or visit tourist attractions.

A similar scenario was found in the United Kingdom (UK) in 1985 when holiday-taking was not universal among the adult population (Hughes 1991:194) as well as in the former Eastern European societies; for example the Soviet Union, Poland, Czechoslovakia, Bulgaria and the German Democratic Republic (Kreck 2010:305). Development in this sector may be expedited through group package tours (GPTs) which remove some of the inhibitors to travel, in that GPTs provide convenience, and

both psychological and financial security in a single purchase transaction (Middleton, Fyall, Morgan & Ranchhod 2009:431). This may be the reason for Visiting Friends and Relatives (VFR) (Moscardo, Pearce, Morrison, Green & O'Leary 2010:146; Urry 2002:7).

There are different types of GPTs depending on the degree of pre-arranged services (George 2008:264; Mak 2004:35; Money & Crotts 2003:195; Wang, Hsieh & Huan 2000:177; Wong & Kwong, 2004:581). This study is based on the definition by Middleton *et al*. (2009:429) whereby a tour package is defined as *"a quality assured, repeatable offer comprising two or more elements of transport, accommodation, food, destination attractions, other facilities and related services such as travel insurance. They are marketed to the general public, described in print or electronic media, and offered for sale to prospective customers at a published, inclusive price, in which the costs of the product components cannot be separately identified"*. The study excludes custom-made packages which are growing in popularity concurrently with the sophistication of tourists and the availability of on-line travel options (Enoch 1996: 601), as well as group tours organised by the public sector and trade unions for ideological reasons (Koch & Massyn 2001:171; Kreck 2010:301-305; NDT 2010b, section B:28) as these are irrelevant here.

NDT (2010b:39) requires of domestic tourism to address inter alia volume growth, geographical spread, diversity of products, affordability in travel, reduce seasonality, provide access to travel information and create a culture of holidaying; especially among the black population and the youth. This paper postulates that GPTs may make a contribution in achieving all these national objectives, but more specifically creating a culture of holidaying among the black youth. The domestic market is predominantly young and black. More than half (52%) are between 18 and 34 years in 2009, and 74% Black. This disproportionate representation is also true for the VFR market (Rule *et al*. 2004:84). Travel in the domestic market is seasonal, with peaks during school holidays which coincide with high-seasons for international tourists (SA Tourism 2010:68,85).

The assembly of GPTs for any market requires research to develop relevant packages that will meet potential visitors' needs (Bergery & Eckersley 2007:2; Kreck 2010:303; Middleton *et al*. 2009:432), yet no research could be found on salient

factors in the decision-making of domestic tours for an untapped market. There is a research gap in domestic tourism especially from a consumer perspective in situation-specific contexts (Opperman & Chon 1997:81; Pike 2003:328-9; Rewtrakunphaiboon & Opperwal 2004:182). According to Hudson and Ritchie (2002:263), domestic tourism are of the most neglected and under-researched categories in tourism analysis.

The purpose of this study is to identify the importance of factors local people take into consideration when going on a GPT for leisure purposes in SA. The results may be used by new and small tour operators to move to knowledge-based competition and stimulate sustainable domestic tourism development.

2 LITERATURE REVIEW

An overview of pertinent literature will be given to elucidate the problem, its context and the contribution of this study. The problem arises from challenges SA faces in growing domestic tourism, whilst the contribution adds value to the role GPTs play in delivering the benefits tourists seek, and the literature are presented as such.

2.1 DOMESTIC TOURISM IN SOUTH AFRICA

The information in this section is based on the Global Competitiveness Study (SA Tourism 2004), the Tourism Growth Strategy (SA Tourism 2007), the Marketing Growth Strategy (SA Tourism, 2008) and the Draft National Tourism Sector Strategy (NDT 2010b) unless otherwise indicated; especially with respect to the supply of products.

The holiday market is not only a small segment of the domestic tourism sector, but the consumption of tourism products and services whilst on holiday are also limited, and the growth is slack. Only 12% (3.6 million) of domestic trips was for holiday purposes in 2009, and it declined by 30% from 2008. The average spent per day for holiday purposes was R290 in 2009; a decline of 22% from 2008. Due to the prevalence of VFR, 87% of nights were spent in unpaid accommodation in 2009; up from 82% in 2008. VFR tourists consequently spend significantly less than other types of domestic tourists; R130 per day for 2009 (SA Tourism 2010:67). In 2001 it was less than a quarter of the amount spent by holiday and leisure tourists and thus requires development initiatives (Rule *et al*. 2004:97).

From a product supply perspective (components of GPTs) there is rapid entry and strong competition within the tourism industry and new and small tourism enterprises face a number of challenges: Barriers to entry are typically low and there is a lot of operating duplication to the point of overcapacity and marginal returns. The market is quick to emulate successful ventures and product offerings proliferate fairly quickly. This is often done in the absence of market data. Pricing is constantly under pressure from new entrants and weaker enterprises exit the industry.

New and small enterprises find it increasingly difficult to compete on price because of economies of scale and volume based discounts; they set prices on the basis of mark-up on average cost. Marketing and source market knowledge are underdeveloped. The large number of small product owners makes it difficult to use the internet as a disintermediation tactic, and they struggle to engage distribution channels, which limits the market they can access. This is a function of size and branding. In addition there are information exchange inefficiencies because relationships between product owners within tourism clusters are weak. These enterprises would benefit from having their products included in GPTs and by using the data provided by this study.

2.2 GROUP PACKAGED TOURS

To appreciate the complexity of assembling packages it is necessary to understand the role of tour operators and the benefits of GPTs for pleasure trips (Čavlek 2006:156; Sheldon 1994:400). In every case the package is assembled from the five basic elements of the overall tourism product (destination attractions and environment, destination facilities and services, accessibility of the destination, images of the destination and price to the consumer) plus any value from their own tour operations, such as branding, convenience, price guarantees and contractual agreements (Mak 2004:35; Middleton 1994:339; Middleton *et al*. 2009:123,430).

Tour operators purchase the components from product owners, promote and sell GPTs directly or through travel agents, to consumers who pay for it in advance in a single transaction. They thus enable product owners to sell their offerings (stock) in advance, and reduce their risk and cost, yet provide quality assurance of these

components not under their direct control, in a branded context, and guarantee delivery of the promise with legal liability (Čavlek 2006:156; George 2008:260-265; Middleton *et al.* 2009:431; Sheldon 1994:400; Wang, Hsieh, Chou & Lin 2007:363).

In addition to bulk buying, tour operators drive down unit cost by spreading tours throughout the year which may increase holiday participation, because there is a direct relationship between cost, price and demand (Čavlek 2006:163; Holloway 2002:49). Ultimately tour operators overcome the natural inefficiency that is inherent in matching demand and supply (Middleton *et al*. 2009:430), and influence the sustainability of a destination in that they choose the individual suppliers and influence the consumer's choice (Čavlek 2005:175; Telfer & Sharpley 2008:169; Van Wijk & Persoon 2006:382). A GPT can be put together to meet just about any consumer demand as long as potential profit induces a tour operator to create it (Mak 2004:35). It is generally more popular for first-time and international travel than for domestic trips (Enoch 1996:600; Mak 2004:34,40; Wong & Kwong 2004:582).

Mak (2004:36-39) argues that the principal perceived benefits for tourists are its certainty and predictability plus convenience, cheaper price, unfamiliarity with a destination, ability to see and do more, experts take care of important detail allowing the traveller to relax and obtain maximum enjoyment, no surprises, hotels are of a guaranteed quality, restaurants are safe and representative of what is unique to the local culture, the itinerary ensures that the *must see* spots are visited. Middleton *et al*. (2009:432) add the following benefits:

- not experiencing a personal sense of failure if things go wrong,
- reassurance of product quality at the point of sale,
- the right of redress,
- reduced intangibility,
- increased overall appeal, and
- matching demand with supply.

Preferences differ by traveller, for example some may place a high value on companionship and others on tour tempo, scenery, shopping locations, sport facilities, novelty, departure dates, or tourist involvement (Bowen 2001:59; Chen, Hwang & Lee 2006:1168; Enoch 1996:614; Wong & Kwong 2004:582).

The product component preferences are endless for different socio-cultural contexts (Enoch 1996:603; Kozak 2001:399). For example the Chinese are group-orientated, and value prestige, courtesy, prudence, trustworthiness and contentedness and are inclined to prefer inclusive GPTs patronizing 5-star international hotels, endorsed by reputable tour leaders (Mak 2004:39; Wang, Hsieh & Chen 2002:495; Wong & Kwong 2004:583). People who travel together share similar tour preferences, also reflected in their personal traits (Enoch 1996:604). However, internationally the trend is towards more flexible and less all-inclusive escorted tours and the emphasis is more on *doing* than *seeing* (Mak 2004:39,40).

It must be born in mind that there are many reasons why tourists do not prefer a GPT but to travel independently. One of the main reasons is that first time buyers with sufficient income already entered the market and became experienced travellers (Mak 2004:36-40; Middleton 1991:187). The relevance to this study is that GPTs can be a booster to domestic tourism growth by mitigating the risk in decision-making for first time buyers with limited income, but the product life cycle (PLC) of GPTs will reach maturity once this market become experienced, more knowledgeable and certain of what they want. Domestic tourism development and the PLC of GPTs in SA will then follow the same pattern as in the developed world (Cole & Razak 2009:342; Harrison 2001:24). Operators will then have to look for the core advantages of packages (pricing, convenience, reliability and easy access) to deliver significant price and product advantages (Čavlek 2006:171,183; Middleton 1991:189-192; Ryan 1991:76).

From the preceding discussion it is evident that tour operators need to take multiple variables into consideration in decision-making, but rely on an intuitive understanding of the market (Bergery & Eckersley 2007:2; Wang *et al*. 2007:362). SA does not have adequate, relevant, tailor-made GPTs based on a true understanding of the needs

and desires of the emerging domestic market, and packages are generally a high-cost option.

3 RESEARCH METHODOLOGY

The purpose of this study was to identify GPT attributes of importance to the SA tourist in order to develop domestic packages that will satisfy their perceived needs. It is an exploratory, quantitative study. A survey was conducted amongst 288 respondents to rate the perceived importance of 46 selection criteria, when deciding to go on a tour in SA, on a 5-point Likert-scale anchored by *do not at all agree* (1) and *totally agree* (5). The questionnaire was developed from a literature search and for purposes of validity the selection criteria were contextualised to be relevant for domestic tourism in SA (Pike 2003:329).

The list of selection criteria contains functions performed by tour operators, benefits tourists seek and product components (Čavlek 2006:157; Mak 2004:36-39; Middleton *et al*. 2009:123,430). The questionnaire also contains some demographic information. It was piloted amongst 64 potential tourists and no changes were made because the scale items of the pilot had good internal consistency, with a Cronbach α coefficient of 0.849; 0.7 is the recommended minimum (Pallant 2005:90).

Gauteng province was selected for conducting this study, as the major source market with the highest spenders per trip (R1040), accounting for 41.3% of domestic tourism spent, in comparison to the average of R730 per trip (SA Tourism 2010:78-79). The survey was administered in different areas in Gauteng, mostly outside travel agencies with high pedestrian flow, during April 2010. A descriptive profile of the sample is shown in Table 1. The majority of the respondents were younger than 35 years of age (65.7%) and Black (61.5%). More females (54.5%) than males (45.5%) were interviewed.

Table 1: Sample of prospective tourists selecting a domestic packaged tour

Age	Population groups; count and % within age group						Total count	%
	Asian and White		Black		Coloured			
18-24	17	15.9%	71	66.4%	19	17.8%	107	37.2
25-35	12	14.6	53	64.6	17	20.7	82	28.5
36-45	20	29.4	36	52.9	12	17.6	68	23.6
46 and older	11	35.5	17	54.8	3	9.7	31	10.8
Total	60	20.8%	177	61.5%	51	17.7%	288	100%
Female	20.9%		60.8%		18.4%		158	54.5
Male	22.0%		61.4%		16.7%		132	45.5

In order to reduce the large number of selection criteria to a more manageable number, an exploratory factor analysis was done. Principal component analysis (PCA) was used to provide an understanding of which variables may act in concert. In this case, that best describes the salient factors in the decision-making of domestic packaged tours in SA (Hair, Black, Babin & Anderson 2010:96; Hair, Bush & Ortinau 2000:100,590,610; Malhotra 2007:610,616; Pallant 2005:172; Sudman & Blair 1998: 547; Tustin, Ligthelm, Martins & Van Wyk 2005:668).

The data was suitable for factor analysis with respect to both the sample size, and the strength of the relationship among the variables. The sample size of 288 exceeds the suggested guideline of 230 respondents (Hair *et al.* 2010:102; Pallant 2005:174). Bartlett's test for the presence of correlations taken collectively was significant, and the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy (MSA) is 0.808 which is considered meritorious. The MSA values for individual variables were also examined using a partial (anti-image) correlation matrix, and those falling in the unacceptable range were excluded. The reduced set of variables collectively met the necessary threshold for sampling adequacy as reported in the findings.

As with any method and sample, there are limitations to this study. Firstly, the sample did not include respondents from the other provinces. Secondly, GPT participation details were not asked for. Open ended questions as well as an evaluation of existing tours would have enriched the interpretation of the findings.

4 FINDINGS

Respondents had to indicate their agreement with a list of 46 factors people tend to take into consideration when going on an organised tour, on a 5-point scale, anchored by *do not at all agree* (1) and *totally agree* (5). The results are reflected in Table 2.

4.1 MOST IMPORTANT DECISION CRITERIA WHEN SELECTING A DOMESTIC TOUR IN SOUTH AFRICA

The seven most important criteria for selecting a tour are benefit (risk avoidance) related namely *the possibility to cancel* with a mean score of 4.53, *affordability* 4.50, *safety* 4.44, *stress relieve* 4.43, *quality services by the organiser* 4.40, *value for money* 4.40, and *accident insurance cover* 4.39. *Promotion* (by radio, newspaper or magazines) was not important, as well as to *visit a destination nearby*, and to *travel by train*, all with a mean score below 3.00. The range of the mean sores is fairly small 2.22 (4.53 minus 2.31) and the distribution is slightly positively skewed meaning that most items are considered fairly important to important.

The variance, or deviation from the mean was not much, and it ranges between 0.902 for *quality services by the organiser*, to 1.421 for *tours not during school holidays*. This indicates that most respondents agree more on decision factors they rate as important and disagree more on what is not important. The results reveal that GPTs could be offered during quiet times when it is not school holidays, to reduce seasonality.

4.2 SALIENT FACTORS IN THE DECISION-MAKING OF DOMESTIC PACKAGED TOURS

A variety of approaches can be used to elicit the salient factors. The decision involves two conflicting needs: the need to find a simple solution with as few factors as possible, and the need to explain as much of the variance in the original data set

as possible (Hair *et al.* 2010:112,118; Pallant 2005:175). The Kaiser's criterion and Cartell's scree test were used to assist in the decision making. PCA was used to extract all the items with commonalities above 0.3 and the lowest in this set of 46 items, is 0.463.

Table 2: Mean rating of the decision criteria when selecting a domestic tour (Source: Bresler 2011:59)

No.	Statements about organised tours I would select on a scale of 1-5 where 5 is totally agree	Mean	Std.dev.
4	I must be able to cancel should anything happen that I have no control over	4.53	.909
1	I select tours that are affordable	4.50	.918
32	Safety and security while on tour is very important for me	4.44	.952
33	I select tours that will take me away from the stresses and strains of work	4.43	.931
24	It is very important to me that the quality of the tour organiser's service is good	4.40	.902
2	I prefer tours that provide value for money	4.40	1.023
3	It's important that the price include insurance in case of an accident	4.39	.999
27	I select tours where the experience will live up to expectations created	4.37	.912
40	I prefer tours where I'll have experiences that I can share afterwards	4.30	1.015
39	I prefer tours with a well-informed tour-guide so as to enhance learning	4.24	1.010
25	I prefer all the components of the tour to be of equal quality	4.23	.969
41	I normally select tours offering excitement	4.23	1.036
42	I prefer tours that include a variety of entertainment	4.22	1.072
31	Tour operators must be able to deal with unforeseen problems efficiently	4.21	1.072

No.	Statements about organised tours I would select on a scale of 1-5 where 5 is totally agree	Mean	Std.dev.
26	I select tours organised by operators whom I believe to be competent	4.16	1.063
29	I normally book on tours that allow for leisure time to do my own things	4.15	1.065
5	The tour must preferably include accommodation, transport and three meals a day, not only accommodation and transport	4.11	1.156
34	I prefer tours where I do not have to share a room with someone I do not know	4.10	1.281
15	It is important for me to go on tours organised by a well known branded operator	3.99	1.188
12	I prefer to stay in well known places that are graded	3.95	1.162
28	Convenience is important; all arrangements must be made for me	3.91	1.184
43	I normally select tours that include scenic attractions in nature	3.88	1.174
23	I usually go on tours that my friends or family have recommended	3.87	1.167
11	I prefer tours where one can stay at a resort for several nights	3.85	1.194
45	I prefer touring to well- known destinations	3.84	1.206
14	Ideally a tour should be for about a week	3.75	1.240
36	I prefer to go on tours where it is possible to make new friends	3.73	1.238
38	I prefer touring with people in my own age group	3.70	1.279
7	For distant destinations, I prefer a combination of a bus and aeroplane	3.70	1.327
44	I select tours offering opportunities for physical activity	3.69	1.316

No.	Statements about organised tours I would select on a scale of 1-5 where 5 is totally agree	Mean	Std.dev.
22	I prefer to go to a travel agent to make my bookings for a tour	3.66	1.306
30	I prefer to go on tour during quiet times, when it is not school holidays	3.59	1.421
8	I prefer touring by luxury coach	3.57	1.278
10	I prefer to overnight at a hotel, not a guest house or B&B	3.56	1.382
17	I prefer to find information about tours on the internet	3.56	1.312
13	I prefer tours of 3-4 days duration	3.44	1.352
35	I prefer tour groups that are small	3.41	1.387
19	I prefer to find information about tours in brochures/pamphlets	3.31	1.251
37	I prefer special interest tours for example watching flowers or wildlife	3.28	1.345
18	I normally make my booking for tours on the internet through websites	3.07	1.334
16	I normally go on tours that are advertised in magazines	2.69	1.294
20	I usually look in newspapers for information on tours	2.68	1.237
6	I like to have breakfast only; not three meals a day	2.66	1.510
46	I prefer touring to destinations nearby	2.63	1.451
9	I prefer to travel by train when on a tour	2.42	1.398
21	It is mostly the radio which influences me to join a particular tour	2.31	1.273

Table 3 reflects the eigenvalues of 20 of the initial 46 factors with the highest commonalities; 15 have eigenvalues above 1, and explain 61.560% of the total variance, and the two retained factors only 22.735% (Hair *et al*. 2010:110,134; Tustin *et al*. 2005:671).

The cumulative percentage of total variance extracted by successive factors should explain at least 60% of the total variance to ensure practical significance. However, only three to five factors are considered practical in a managerial sense, not 15, and this criterion is thus not satisfied (Hair *et al*. 2010:109,134).

Table 3: Initial factor analysis for selecting a domestic tour

Factor	Extraction method; principal component analysis					
	Initial eigenvalues			Extraction sums of squared loadings		
	Total	% Variance	Cumulative %	Total	% Variance	Cumulative %
1	7.806	16.969	16.969	7.806	16.969	16.969
2	2.652	5.766	22.735	2.652	5.766	22.735
3	1.993	4.332	27.067	1.993		
4	1.804	3.922	30.989	1.804		
5	1.663	3.615	34.604	1.663		
6	1.537	3.342	37.946	1.537		
7	1.452	3.158	41.104	1.452		
8	1.375	2.990	44.094	1.375		
9	1.305	2.836	46.930	1.305		
10	1.231	2.676	49.606	1.231		
11	1.186	2.578	52.183	1.186		
12	1.162	2.526	54.709	1.162		
13	1.071	2.328	57.038	1.071		
14	1.045	2.272	59.308	1.045		
15	1.035	2.251	61.560	1.035		
16	.991	2.155	63.715			

Factor	Extraction method; principal component analysis					
	Initial eigenvalues			Extraction sums of squared loadings		
	Total	% Variance	Cumulative %	Total	% Variance	Cumulative %
17	.957	2.081	65.796			
18	.937	2.037	67.833			
19	.890	1.934	69.768			
20	.868	1.888	71.656			

The researcher experimented with factor solutions ranging from 15 to 2 possible components assessing their relative explanatory powers. The Varimax and Oblimin techniques for factor rotation were used and the factor loadings showed remarkable similarity. This resulted in the deletion of 26 of the 46 items. Items with factor loadings of 0.35, which is statistically significant for a sample of 288, were included in the final analysis (Hair *et al*. 2010:117,137-8; Sudman & Blair 1998:548).

Not many cross loadings were found; that is variables loading on to more than one component, for example *tours offering opportunities for physical activity.* This loading is so substantial that it cannot be ignored. Collectively the reduced set of variables is appropriate for factor analysis. The final Principal Axis Factoring (PAF), Varimex rotated with Kaiser normalisation for the remaining 20 variables is given in Table 4. The analysis for factor one is based on 261 of the 288 cases and the reliability is high; Chronbach's alpha is 0.879.

Table 4: Salient factors in the decision-making of domestic packaged tours

No.	Statements about organised tours I would select on a scale of 1-5	Factor 1	Factor 2
25	I prefer all the components of the tour to be of equal quality	.651	
32	Safety and security while on tour is very important for me	.647	

No.	Statements about organised tours I would select on a scale of 1-5	Factor 1	Factor 2
41	I normally select tours offering excitement	.639	
42	I prefer tours that include a variety of entertainment	.634	
40	I prefer tours where I'll have experiences that I can share afterwards	.626	
27	I select tours where the experience will live up to expectations created	.623	
24	It is very important to me that the quality of the tour organiser's service is good	.616	
31	Tour operators must be able to deal with unforeseen problems efficiently	.595	
26	I select tours organised by operators whom I believe to be competent	.594	
29	I normally book on tours that allow for leisure time to do my own things	.552	
39	I prefer tours with a well-informed tour-guide so as to enhance learning	.547	
33	I select tours that will take me away from the stresses and strains of work	.530	
43	I normally select tours that include scenic attractions in nature	.450	
15	It is important for me to go on tours organised by a well known branded operator	.432	
45	I prefer touring to well- known destinations	.373	
16	I normally go on tours that are advertised in magazines		.484
21	It is mostly the radio which influences me to join a particular tour		.471
20	I usually look in newspapers for information on tours		.413

No.	Statements about organised tours I would select on a scale of 1-5	Factor 1	Factor 2
44	I select tours offering opportunities for physical activity	.326	.392
37	I prefer special interest tours for example watching flowers or wildlife		.379

The question arose if the findings for the extracted factor one would be similar for different age, population, and gender groups? This is an assumption of a factor analysis; otherwise a separate factor analysis should be performed for differing groups (Hair *et al*. 2010:103). The data had to be tested for normality of the distribution of scores (Pallant 2005:53-62). The analysis indicated normality which is common in larger samples.

The next assumption to be tested was an equal spread of variance, across the different age population and gender groups which are best examined graphically, and the scores appear to be reasonably normally distributed (Hair *et al*. 2010:75; Pallant 2005:198). The test results are not illustrated in this paper. It may be mentioned that younger persons (18-35 years) had more similar responses than older ones, and the same is true for the Asian/White population group in comparison to Blacks and Coloureds. Further statistical tests for homogeneity of variances in the means indicate that the differences between the two gender groups, the three population groups, and the four age groups, were so small that they did not reach significance. The assumptions underlying multivariate analysis had thus not been violated. In conclusion, the findings for factor one can be considered similar for all groups.

5 DISCUSSION

The task of interpreting the complex interrelationships represented in a factor matrix requires a combination of applying objective criteria with managerial judgement (Hair *et al.* 2010:118). Taking this into consideration the study indicates that only one factor is salient in the decision-making of domestic group packaged tours which can be summarised as *risk avoidance* (both financial and emotional). The factor analysis reveals that prospective tourists expect of tour operators to take risk out of going on

holiday through GPTs (well known brand, quality service, solving unforeseen problems, well-informed tour-guide, components of equal quality, safety and security; and making sure that they get the benefits motivating them namely, excitement, entertainment, share experiences, leisure time, and stress removal). This resembles the benefits VFR offer. Personal preferences for specific product components namely accommodation, transport, attractions or activities do not have sufficient communality to be salient factors.

In conclusion, GPTs facilitate and simplify an otherwise complex process to visit unfamiliar destinations and can open up domestic holiday travel in SA in the same way as it opened up international travel for the vast majority of working-class families in Europe in the 1985s.

With respect to enabling factors for holiday participation, it would seem that access by means of distribution is more important than by means of information. In marketing terms, the role of intermediaries is more important than promotion to stimulate demand. The advice for new and small tourism operators is to select only reputable, affordable tour components, make only promises that can be delivered and ascertain what the emerging market considers to be scenic, exciting, and entertaining.

6 CONCLUSION AND VALUE OF THE RESEARCH

The findings make a contribution to fill the vacuum in research on domestic tourism, which is required to develop a culture amongst South Africans in going on holiday. There is a decision risk in going on holiday and this may be alleviated by GPTs where all arrangements are tied together and the prospective tourist avoids making numerous difficult decisions. From a theoretical perspective the research makes a specific contribution in that it identified risk (financial and emotional) as a salient barrier for the emerging domestic market to go on holiday.

The results can also help small and emerging tourist operators to reduce the risk in assembling and marketing tours through improved decision making that renders competition more knowledge-based. To survive in a very competitive market,

enterprises must strategically link up with others delivering different parts of the integral tourism product (GPTs).

The results not only serve the needs of buyers and sellers, but may also be used by NDT in support of their strategy to create a culture of holidaying; especially among the black population and the youth. GPTs reducing these risks can be used by developing countries to stimulate and promote participation in domestic tourism similar to the use of group tours to stimulate domestic travel in former Eastern European societies, as well as the consumption of GPTs by developed countries to reduce the risk in outbound tours.

It is suggested that follow-up research is undertaken to address the shortcomings of the study. The study area may be extended to include respondents from the other eight provinces of South Africa. Measuring satisfaction with existing GPTs will provide more insight into existing domestic tour packages and qualitative research will add nuance and enrich the findings.

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