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# A STUDY OF SHANGHAI TOURIST DESTINATION BRAND EQUITY: PERSPECTIVES FROM WESTERN GROUP TOURISTS

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## ABSTRACT

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Keywords Consumer-based destination Brand equity Brand loyalty Western group tourists Brand awareness Brand image Brand quality Brand value. This study examines western group tourists' perceptions of city destinations in China and measures destination brand equity for Shanghai as a city tourism destination in China's inbound market. The study investigated 420 Western group tourists and verified the path relation between the constituent elements of Shanghai's tourism destination brand equity. It examined the influence of four independent variables (brand awareness, brand image, brand quality and brand value) on the dependent variable (brand loyalty). The findings suggest that only brand quality has direct and significant impact on brand loyalty, while brand awareness, brand image and brand value affect brand loyalty indirectly through brand quality. It is also found that genders, number of visits, and tourists of different occupations have significant different evaluations in the brand awareness. There are significant differences in the brand value between different household incomes and tourists in different regions. This research provides suggestions for tourism destination brand building and management in Shanghai, such as a guaranteed high-level qualified experience for travelers, increasing the brand awareness among Westerners through cross-cultural communication via global social media.

**Contribution/Originality:** Based on the brand equity theory, the study confirms the significant role that brand quality plays in the formation of brand loyalty toward a city tourism destination in China among Western group tourists. It extends the limited understanding of Western group tourists' perceived brand equity of a Chinese destination.

# 1. INTRODUCTION

Brand equity is the core theory in brand management and brand-building. Morgan, Pritchard, and Piggott (2002) point out that brand building is the most powerful tool in marketing a tourist destination. Tourist destinations can build their own brand and become attractive just like ordinary products and services. Testing and evaluating effectiveness of brand promotion for a tourist destination has gradually attracted the attention of scholars. Academics have referenced the definition of Consumer-Based Brand Equity in the study of marketing (Aaker, 1991) and identify Consumer-Based Destination Brand Equity (CBDBE) the key effective indicator in the evaluation of brand management and marketing performance of a tourism destination (Keller, 1993). Inbound tourism is a basic indicator of the comprehensive strength and global competitiveness of a country's tourism industry. China needs to build world-class tourism brands and destinations. Shanghai has been working on establishing itself a world-renowned tourism city with global impact. Tours for Western group tourists have traditionally been a staple for Shanghai's inbound tourism. Based on industry research and according to the industry's universal definition, this study categorizes group

tourists from Western countries into tourists from North America, Oceania, and Europe (excluding Eastern Europe) and package tours greater than ten people organized by travel agencies. In recent years, inbound tourism faced developmental bottlenecks, such as product homogenization, price war and brain drain. The abrupt pandemic has again put inbound tourism into a stasis period. Rescuing inbound tourism and building a world-class tourist destination brand have become an imperative task. Why would Western tourists come to Shanghai? How do they perceive, expect and suggest Shanghai as a tourist destination brand? During the pandemic, what effective tourism destination brand marketing and management methods will the tourism authorities use to attract more Western tourists? These issues are all worthy of discussion.

China's scholars currently focus more on studying the image of a tourist destination, and less on the measuring dimensions and the interrelationship among factors of a tourist destination's brand equity. Empirical research on brand equity for a municipal tourist destination from the perspective of Western group tourists is rare. Questions such as whether the components of destination brand equity Western scholars formulate, apply to China's tourist destinations, and whether China's scholars' brand image building theories apply to Western tourists visiting China require further investigation. Based on the aforementioned challenges and questions, this study uses first-hand questionnaire data collected from Shanghai's Western group tourists and explores the components of brand equity for a tourist destination and provides theoretical support and evidence for building Shanghai and China world-class tourist destination brands.

## **2. LITERATURE REVIEW**

#### 2.1. Brand Equity and Tourism Destination Brand Equity

From the financial perspective, brand equity is intangible. It is a facilitating element to drive up corporate profits or cash flow, and it is additional value brought by a brand. From the consumer's perspective, Aaker (1991) pointed out that brand equity can provide value beyond products and services for business and consumers, and he also came up with five dimensions to study brand equity: brand awareness, brand quality, brand associations, brand loyalty and other proprietary brand assets (trademarks, patents, channel relationship etc.).

Brand equity is defined as marketing's effect on consumer's brand recognition and customer's responses to brand recognition (Keller, 1993). The higher brand equity is, the more positive responses there will be from the customers. Tourism scholars referenced the concept of brand equity from marketing theories and studied destination brand equity from three perspectives: the financial perspective, which focuses on input and output in brand equity for a destination; the marketing perspective, which concentrates on brand building's performance; the customer's perceived perspective, which centers on tourist's recognition of a destination brand.

Stakeholders of a tourist destination brand consist of subjects and objects, which constitute two research perspectives. Current studies mainly focus on the object's perspective, namely, the perspective of consumer-based tourist destination brand equity.

Konecnik and Gartner (2007) came up with the concept of consumer-based tourist destination brand equity and pointed out that the factors responsible for brand value—dimensions—together make up what has come to be known as "brand equity". The destination's brand equity is the prerequisite of tourist's choice of destination and their degree of satisfaction (Kim, Han, Holland, & Byon, 2009).

Consumer-based destination brand equity is an important indicator to a destination's marketing performance and brand building (Pike, 2009). Analyzing and evaluating a tourist destination's brand equity from the tourist's perspective is an important tool for a destination's governing authorities to improve marketing and management performance (Huang, He, Niu, & Sun, 2013).

## 2.2. The Study of Destination Brand Equity Based on Tourist's Perspective

Many foreign scholars have used empirical research methods, such as questionnaires or structural equation modeling to explore or verify the interrelationship of brand equity's dimensions. China's scholars have shifted their focus from case-centered qualitative research to one that combines qualitative research and quantitative research.

Firstly, many scholars have studied the composing dimensions of tourist destination brand equity. Konecnik and Gartner (2007) brought up early the idea that destination brand equity is composed of brand image, brand awareness, brand quality and brand loyalty. These four dimensions together have laid the basic framework for the study of brand equity down the road. Boo, Busser, and Baloglu (2009) added a fifth dimension, brand value, and they have revised dimensions by merging brand image and brand quality into brand experience. Wan (2016) believe that destination brand equity consists of brand awareness, brand image, perceived quality, brand experience, brand associations and brand loyalty. They also believe that brand equity dimensions for different tourist destinations are different. All in all, brand awareness, brand image, brand quality, brand value and brand loyalty – the five dimensions – have been frequently used or referenced in the study of tourist destination brand equity at all scales.

Secondly, the study of brand equity involves tourist destinations of different types and at different scales. There are country-based destinations such as nations like China Wang (2014), Australia (Pike, Bianchi, Kerr, & Patti, 2010), Spain (Herrero, San Martin, & Collado, 2017), South American destinations (Bianchi, Pike, & Lings, 2014); local destinations such as Shaanxi Province (Sui, Guo, & Cheng, 2018), Rome (Kladou & Kehagias, 2014), the ancient town of FengHuang (Xu & Mo, 2014); function-based tourism attractions such as World Heritage Sites (Tan and Qin), Cultural Festivals (Kim, Choe, & Petrick, 2018) etc.

Thirdly, researchers have studied brand equity for a destination using theories of tourist behavior and consumer psychology. Ferns and Walls (2012) have combined tourist's ever-lasting involvement in a tourist destination, tourist destination brand equity and tourist's motivation in their study. They realized that tourist's ever-lasting involvement would have a positive impact on that destination's brand equity-which plays an intermediary role – and in turn has a significant effect on tourist's motivation.

Lastly, there are quite a few studies with the purpose of verifying and analyzing the interrelationship of all the dimensions of brand equity. Scholars have formulated brand equity dimensions for specific tourist destinations or their targeted tourist markets, assumed all dimensions' relationship, and tested models for tourist-based destination brand equity. Some scholars put all dimensions to the same level (Konecnik & Gartner, 2007). Others have conducted layered studies on all dimensions and hypothesized their logical relationship. Chow and others pointed out that brand loyalty is on the top of brand equity's pyramid model and is affected by all levels of dimensions beneath it and regard brand loyalty as a dependent variable (Bianchi et al., 2014; Boo et al., 2009; Pike et al., 2010; Tasci, 2018).

This study will research brand equity from the perspective of Western group tourist's perceived values, explore how they will evaluate all dimensions of Shanghai tourist destination brand equity, and verify all dimensions' dependency and path relationship. This study will evaluate the degree of influence of four variables (brand awareness, brand image, brand value and brand quality) on the dependent variable (brand loyalty) from the Western group tourist's perspective.

#### 2.3. Destination Brand Loyalty (DBL)

Brand loyalty is the core concept of brand equity, and an important goal for brand building (Zhang, Zhang, Wang, & Liang, 2013). Brand loyalty is defined as a tourist's fondness and attachment to a destination, it includes behaviour loyalty and attitude loyalty and can be measured by tourist's willingness to return, recommend, and pay a premium price for this destination (Wan, 2016). Revisiting rate, intention to return or to recommend a destination have been the representative indicators to measure loyalty (Kim & Kim, 2005). This study evaluates brand loyalty through tourist's attitude and behavioral factors, and measures brand loyalty by investigating tourist's willingness to return and recommend.

#### 2.4. Destination Brand Awareness (DBA)

Brand awareness is defined as the consumer's brand recall and familiarity when choosing their favored brand, as "the ability of potential consumers in identifying and answering which category a brand belongs to" (Aaker, 1991), and he determines that brand awareness represents the degree of presence a brand has in the customer's mind (Aaker, 1997). Brand awareness is also an important component of the tourism and hotel industry (Kim & Kim, 2005). A destination's brand awareness has a positive impact on its brand equity (Chow, Ling, Yen, & Hwang, 2017; Xu & Mo, 2014). This study proposes the following hypothesis:

H1. Destination brand awareness has a significant effect on Destination brand loyalty (DBA-DBL).

#### 2.5. Destination Brand Image (DBI)

A destination's image has been incorporated into the whole concept system of destination brand (Blain, Levy, & Ritchie, 2005). Brand image was viewed as a factor of brand personality (Hosany, Ekinci, & Uysal, 2006). In this study we define DBI as brand personality and categorize it into social-image and self-image, which is to measure the suitability of the tourist's and the city's personalities. Tourist destination brand image has the greatest impact on brand loyalty (Xu & Mo, 2014). Destination brand image is an important component of brand loyalty and affects the tourist's loyalty to a destination (Hosany et al., 2006). The positive relationship between DBI and DBL was found in various studies (Cretu & Brodie, 2007; Shen, Li, & Qu, 2016; Xie & LI, 2019). This study proposes the following hypothesis:

H2. Destination brand image has a significant effect on Destination brand loyalty (DBI-DBL).

### 2.6. Destination Brand Value (DBV)

Brand value could be measured by asking consumers questions such as if a brand has high cost-effectiveness or if there is a reason for giving up other brands and choosing this one (Aaker, 1997). This study will use Aaker's definition and evaluate the tourist destination's brand value through the tourist's perception of its cost-effectiveness. There is a positive correlation between brand value and consumers' repurchase intentions (Tsai, 2005). Studies verified that there is a positive relationship between perceived value and the degree of customer loyalty (Grewal, Levy, & Lehmann, 2004; Petrick, Backman, & Bixler, 1999). This study proposes the following hypothesis: H3. Destination brand value has a significant effect on Destination brand loyalty (DBV-DBL).

## 2.7. Destination Brand Quality (DBQ)

Brand quality is a key component of tourist-based brand equity. Brand quality and consumers' perceived quality are often used interchangeably and alternately (Zeithaml, 1988). Perceived quality of a tourist destination is the most important factor that affects brand loyalty, which is supported by previous research in various settings (Cretu & Brodie, 2007; Liu & Lv, 2016). This study proposes the following hypothesis:

H4. Destination brand quality has a significant effect on Destination brand loyalty (DBQ-DBL).

## 3. RESEARCH METHOD AND PROCEDURES

To illustrate relationships between the four components of destination brand equity and brand loyalty, this study adopted a survey research design. As the research aim is a single-time description of variables with no inference to change of concepts or variables over time, a cross-sectional questionnaire survey design was adopted to answer the research questions and to test the hypotheses.

Dimensions from previous research on destination brand equity were selected (Boo et al., 2009), and integrated into the characteristics of Shanghai. A Likert scale from 1(strongly disagree) to 7 (strongly agree) was used in the measurement scale. The questionnaire was in English, since inbound group tourists are the unit of analysis. We ran a pre-test (n=30) to check the content validity of the questionnaire. Then a first pilot test (n=31) was conducted to

test the reliability and validity of the measurement for the purpose of modification. The construct validity of the scale was evaluated by exploratory factor analysis. Two variables from DBA (DBA2 & DBA6) were deleted due to their low factor loadings. There were 24 items for the second round of the pilot test (n=118). We undertook confirmatory factor analysis to assess whether the measurement model demonstrated adequate construct reliability along with convergent and discriminant validity. The final version of the measurement scale is shown in Table 1.

Table 1	. The items	for the	preliminary	survey.
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Dimensions	Labels	Items in the Questionnaire						
DBA	DBA1	Shanghai has a good name and reputation.						
	DBA3	The characteristics of Shanghai come to my mind quickly.						
	DBA4	When I am thinking of a modern city, Shanghai comes to my mind immediately.						
	DBA5 When I am thinking about business & exhibition, Shanghai comes							
		immediately.						
	DBA7	When I am thinking about Chinese modern urban landscape, Shanghai comes to my						
		mind immediately.						
DBI	DBI1	Shanghai fits my personality.						
	DBI2	My friends would think highly of me if I visited Shanghai.						
	DBI3	The image of Shanghai is consistent with my own self-image.						
	DBI4	Visiting Shanghai reflects who I am.						
DBQ	DBQ1	Shanghai provides tourism offerings of consistent quality.						
	DBQ2	Shanghai provides quality experiences.						
	DBQ3	From Shanghai's offerings, I can expect superior performance.						
	DBQ4	Shanghai performs better than other similar destinations.						
DBV	DBV1	Shanghai had reasonable prices.						
	DBV2	Visiting Shanghai is economical.						
	DBV3	Considering what I would pay for a trip, I would get much more than my money's						
		worth by visiting Shanghai.						
	DBV4	The costs of visiting Shanghai are a bargain relative to the benefits I receive.						
	DBV5	Visiting Shanghai is a good deal.						
	DBL1	Shanghai would be my preferred choice for a vacation.						
	DBL2	I would advise other people to visit Shanghai.						
	DBL3	Overall, I am loyal to this destination, Shanghai.						
	DBL4	I enjoy visiting Shanghai.						

We undertook the formal test in April and May 2019 in the sites of Shanghai Museum, Shanghai Acrobatics Stadium, Shopping stores popular among inbound tourists, and restaurants. These group tourists were those travelling to Shanghai by cruise lines, planes, trains, or buses. With the permission of the groups' tour escorts, we sent out the questionnaires to those who were willing to participate. We received 420 samples in total. By deleting those invalid samples such as over 1/3 missing data or the same answer throughout, we collected 396 valid responses.

## 4. RESULTS

The majority of the participants had never been to Shanghai before (84.1%). The respondents consist of 55% female and 43% male which is relatively in balance. Nearly 55% of the participants are above the age of 60. This matches up with the group visitors' profiles in Shanghai (Yang, Wu, Wang, & Tang, 2013). The origin nations are North American and Europe countries which are the target markets of the Shanghai tourism industry see Table 2.

### 4.1. Assessing Measurement Model Reliability and Validity

The measurement model worked very well in terms of internal consistency, as all Cronbach  $\alpha$  scores of the constructs were all above 0.78 see Table 3. The overall Cronbach  $\alpha$  score is 0.931 suggesting a relatively high reliability.

Items	Measures	Frequencies	%	Items	Measures	Frequencies	%
Number of	Once	333	84.1	Gender	Male	171	43.2
visits	Twice	36	9.1		Female	217	54.8
	Three times	11	2.8		Missing	8	2
	More	16	4	Occupations	Professionals	85	21.5
Age	10-19	11	2.8		administrators	40	10.1
	20-29	45	11.4		Salesman	18	4.5
	30-39	25	6.3		Housewife	12	3
	40-49	21	5.3		Retired	171	43.2
	50-59	75	18.9		Student	46	11.6
	60-69	154	38.9		Others	24	6.1
	70-79	55	13.9	Continents of	N. America	202	51.0
	Above 80	8	2	Origin	S. America	14	3.5
	Missing	2	0.5		Europe	126	31.8
Education	Secondary	57	14.4		Oceania	45	1.4
	Tertiary	113	28.5		Others	9	2.3
	Bachelor	103	26	House hold income	35 or less	45	11.4
	Master or	121	30.6	(thousand dollar	3555	62	15.7
	above			/year)			
	Missing	2	0.5		5575	65	16.4
					75100	63	15.9
					100 or more	112	28.3
					Missing	49	12.4

#### Table 2. Demographic characteristics of the respondents.

The construct validity of the measurement model, including its convergent and discriminant validity was examined through the results of CFA as fitness indices, factor loadings, as well as AVE scores, composite R, using AMOS 22. The fit indices of the proposed measurement structure of exogenous variables were good with  $\chi^2/DF=3.844$  (ideally in the range of 2-5), RMSEA=0.085 (<0.1), NFI=0.868, NNFI=0.882, CFI=0.898, IFI=.899 which are close to acceptance value of 0.9. The convergent validity of the measurement model was supported with factor loadings on each variable above 0.8 >0.6. The AVE (Average Variance Extracted) scores of the five constructs were above 0.5, which indicated strong coherences among items and the constructs. The composite reliability scores were above 0.8 see Table 3. The discriminant validity of the measurement was supported, as the squared roots of AVE scores were larger than correlation coefficient between each pair of the two factors. Nomological validity was also verified for the reasonable correlation between latent variables see Table 4.

D' '	Table 3. I	Renability; c	omposite validity & convergent validity of	the measurement mod	el.	4.1775
Dimensions	Items	Means	Standardized factor loadings	Cronbach α	CR	AVE
DBA	DBA1	5.85	0.680	0.827	0.832	0.500
	DBA3	5.05	0.762			
	DBA4	5.37	0.777			
	DBA5	4.92	0.691			
	DBA7	5.51	0.611			
DBI	DBI1	4.54	0.754	0.842	0.846	0.582
	DBI2	5.02	0.648			
	DBI3	4.49	0.835			
	DBI4	4.32	0.802			
DBQ	DBQ1	5.53	0.807	0.883	0.885	0.659
	DBQ2	5.83	0.838			
	DBQ3	5.34	0.826			
	DBQ4	5.16	0.776			
DBV	DBV1	4.78	0.760	0.906	0.893	0.627
	DBV2	4.61	0.785			
	DBV3	4.92	0.835			
	DBV4	4.78	0.836			
	DBV5	5.22	0.738			
DBL	DBL1	4.27	0.648	0.827	0.827	0.546
	DBL2	5.79	0.820			
	DBL3	4.91	0.735			
	DBL4	6.15	0.743			

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Dimensions	DBA	DBI	DBQ	DBV	DBL						
DBA	0.707										
DBI	0.665	0.763									
DBQ	0.701	0.724	0.812								
DBV	0.531	0.637	0.718	0.819							
DBL	0.650	0.755	0.798	0.779	0.738						
Note: The scores in	diagonal line mean	e the equare ro	of AVE: be	0.001							

Table 4. Nomological validity and discriminant validity of the measurement model

ote: The scores in diagonal line means the square root of AVE; p<0.001

## 4.2. Variance Analysis

To explore the current situation of inbound tourists' perception of Shanghai's destination image, we analyzed the variance of five aspects of brand equity according to demographic classification. We found that the evaluation of brand attractiveness is affected by age, number of visits and occupation, and there are significant differences in the evaluation. Furthermore, there are differences in the evaluation of brand value among respondents in different regions see Table 5. In detail, female respondents have slightly higher evaluation of the popularity of Shanghai tourism destinations than men (Mf=5.434, Mm=5.205, p=.043<.05); the more visits, the higher the brand attractiveness evaluation (Monce=5.254, Mtwice=5.611, M3-times=6.081, Mmore=6.000, p=.002<.01). Housewives (M=5.783), administrators (M=5.490) and Salesman (M=5.578) have a high evaluation of brand attractiveness, but students (M=5.017) and professionals (M=129) have a low evaluation (p=.006<.01). Tourists from America (M<sub>M</sub>=5.027&M<sub>M</sub>=5.290) and Oceania (M=-5.116) believe that the brand value of Shanghai is higher than that of European (M=4.489) tourists (p=.001<.01). The study found that there was no significant difference in the evaluation of brand image, brand quality and brand loyalty among different groups.

## 4.3. Hypothesis Analysis

After validation of the measurement model, structural equation models were generated for each hypothesis. To do so, the covariance relationship among the measurement model was shifted to path relationships between DBA\DBI\DBV\DBQ and DBL. Therefore, the degree of freedom and Chi-square remain the same. In the hypothesized model, there is no significant relationship between DBA and DBL, see Table 6. The impact of DBI on DBL is significant under the condition of .001 with an acceptable fitness index. By referring to the residualsand modification indices, we figured an alternative model that DBQ mediates the relationships between DBA\DBI\DBV and DBL. The fitness indices of modified mode are improved significantly by  $\Delta \chi_2$  (39) = 210.47 larger than 3.84 per change of degree freedom see Table7.

<b>Common factors</b>	Age, number of visits, occupations, and education								Sig.(p)
	Ν	ſale		Female					
	5.	205		5.434					
DBA	Once	Twice	Three tim	es (3 <b>-</b> times)		More			
	5.254	5.611	6.	6.018		6.000			0.002**
	Professionals	Administrators	Salesman	Housewife	Retired	Student	Others		
	5.129	5.490	5.578	5.783	5.349	5.017	5.950	3.090	0.006**
DBV	N. America	S. America	Europe		Oceania	Others		4.800	0.001**
	5.027	5.200	4.	4.489 5.116 4.556					

Table 5. Variance analysis on DBA & DBV among respondents.

**Note:** \**p*<0.05, \*\**p*<0.01.

Table 6. Standardized path coefficients in the hypothesized model.							
Paths	Estimated coefficient	Sig.(p)					
$DBA \rightarrow DBL$	-0.052	0.088					
$DBI \rightarrow DBL$	0.127	**					
$DBV \rightarrow DBL$	0.199	***					
$DBQ \rightarrow DBL$	0.618	***					
Note: ** 0<001 *** 0<0	001						

ote: \*\**p*<0.01, \*\*\**p*<0.001.

Table 7. Fitness indices of the measurement model, hypothesized model and modified model.

Model	χ²	df	χ²∕df	RMSEA	NFI	CFI	IFI
Measurement mode	768.900	200	3.844	0.085	0.868	0.898	0.899
Hypothesized model	768.900	200	3.844	0.085	0.868	0.898	0.899
Modified model	558.430	161	3.469	0.079	0.892	0.920	0.921

The moderation effect of DBQ is further verified by causal stepwise regression test. First, "c" represents the regression coefficient of DBA\DBI\DBV to DBL when there is no intermediary variable DBQ in the model, which means the direct effect. Then "a" represents the regression coefficient of DBA\DBI\DBV to DBL and a \* b is the intermediary effect. The 95% confidence interval of the coefficient a\*b does not include the number of 0, which indicates the intermediary effect is significant. "c" represents the regression coefficient of DBA/DBI/DBV to DBL variable DBQ in the model, the total effect. If both a & b are significant and c' is not significant, it is a complete intermediary. If both a & b are significant, it is a partial mediation see Table 9. Therefore, in our study, DBA impact on DBL was completely mediated by DBQ. Meanwhile DBI and DBV impact on DBL either directly or indirectly mediated by DBQ see Table 8 and Figure 1.

Paths	<b>Estimated coefficient</b>	Sig.(p)
$DBA \rightarrow DBQ$	0.350	***
$DBI \rightarrow DBQ$	0.256	***
$DBV \rightarrow DBQ$	0.375	***
$DBI \rightarrow DBL$	0.330	***
$DBV \rightarrow DBL$	0.377	***
$DBQ \rightarrow DBL$	0.295	***

Note: \*\*\* p<0.001.

Moderation paths	c' Direct effects	Partial effects X to M (a)	Partial effects M to Y (b)	Indirect effects a*b	a*b (z)	a*b ( <i>p</i> )	Total effects X to Y (c)	Effects percentage	Results
DBA =>DBQ =>DBL	0.088	0.184**	0.403**	0.074	64.308	0.000	0.162**	100%	Complete moderation
DBI =>DBQ =>DBL	$0.228^{**}$	0.164**	0.403**	0.066	63.454	0.000	0.294**	22.504%	Partial moderation
DBV =>DBQ =>DBL	0.209**	0.185**	0.403**	0.075	78.979	0.000	0.284**	28.283%	Partial moderation

Table 9. Causal stepwise regression tests of the moderation effect of DBQ.

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Figure 1. A brand equity model of Shanghai Tourism Destination in Western group tourists.

## 5. DISCUSSIONS AND CONCLUSION

This study has come to the following conclusions. First, the theoretical model has not been fully supported by survey data. A destination's brand awareness has no direct significant effect on tourist's loyalty. Instead, DBA impose a significant impact on DBQ, which in turn, affects DBL. Both DBI and DBV impact on DVL directly and indirectly via DBQ. Second, demographic variables such as age, occupation, source country of tourists and income have had a limited impact on the evaluation of brand equity's dimensions, so the evaluation results are relatively stable and representative. However, the destination's popularity is affected by age, occupation, and where the tourists came from. Therefore, we need to be more aware of market segmentation, and make adjusted marketing plans to different segmented markets.

The reason why we conclude that DBA does not have a significant impact on DBL is because respondents for this study are Western group tourists who have some peculiarities. Firstly, group tourists were usually attracted by China as a tourist destination, but not by a specific city that is part of their itinerary. Secondly, Western group tourists usually have their food, accommodation, transportation, sightseeing, shopping, entertainment, etc., all pre-arranged by travel agencies and tour guides instead of by themselves. Therefore, they focus more on their satisfaction and loyalty to travel agencies rather than on destinations. Finally, the study revealed that after their visit to Shanghai many tourists would recommend Shanghai to friends instead of visiting Shanghai again. However, they are more likely to visit different tourist destinations with the same travel agency that achieved high satisfaction.

Through reviewing existing studies, we realized that the forming path of DBL is similar to what we found in this study. Many studies have found that DBA has no direct impact on DBL, and it only affects DBL indirectly through other elements. For example, Xie and LI (2019) studied China's outbound tourism and discovered that DBA affects DBL through influencing DBI and DBQ, and with the help of DBV as an intermediary in this process. Tan and Qin (2019) used the case of Historic Monuments and Sites of Ancient Quanzhou and found that DBA indirectly affects the brand relationship between the visitors and the destination through DBV. Liu and Lv (2016) studied the case of Hohhot and pointed out that DBA is an exogenous variable and affects DBL through DBI and DBQ.

There is no consensus conclusion on the impact of DBI on DBL. Zhang et al. (2013) study on Southern Auhui also came to a similar conclusion to ours, which is, DBI not only directly affects DBL, but also affects it jointly with DBQ. Similarly, Xie and LI (2019) study on China's outbound tourism found that DBI can only impact DVL through DBV. However, Liu and Lv (2016) found that DBI is the factor that has a direct impact on DBL. We suggest DBI may impact on DBL on both paths, directly or indirectly through DBV or DVQ. If tourist's experience at a destination

is consistent with its perceived image and visitors' expectation, DBQ and DBI are considered to be satisfactory, and DBL can be achieved. In terms of the relationship between DBV and DBL, the direct impact of DBV on DBL was supported by previous research (Xie & LI, 2019). While DBV in our model is not an intermediary construct between DBA or DBI and DBL. The reasons for these different conclusions are different measured items and different respondents. The respondents of this study are Western group tourists who might not revisit Shanghai because of the travel distance even if they have a good perceived image of Shanghai. Therefore, the source country of tourists or target respondents might have functioned as a mediator variable with regards to studying factors that directly affect DBL, and this remains to be further studied and verified.

#### 6. PRACTICAL IMPLEMENTATIONS

Boosting and enhancing Shanghai's DBA, DBI, DBV, DBQ and DBL can improve Shanghai's brand equity allaround and make Shanghai a competitive, world-renowned tourism city.

Firstly, as DBQ directly affects DBL, while DBA, DBI and DBV can only affect DBL through an intermediary variable—DBQ, Shanghai should make improving DBQ the most pivotal strategy. The following steps could be taken: (1) improve the overall service and communication skills of the frontline tourism employees; (2) facilitate the transportation system, enhance the city's appearance, reinforce public security and other urban management work; (3) perfect service standard system for Shanghai inbound tourism suppliers including travel agencies, hotels, restaurants, scenic spots and airlines; (4) publicize and promote foreign language travel hotlines, and make the official tourism service platform (http://meet-in-shanghai.net) built by Shanghai Municipal Administration of Culture and Tourism more accessible to overseas tourists and business peers; (5) identify more authentic and less well-known attractions in Shanghai to diversify and enrich tourism products.

Secondly, DBA should be repositioned to build an outstandingly attractive tourism brand for Shanghai. As 30% of our respondents said they wanted to visit Shanghai's historic sites, it is recommended that Shanghai should promote its open and diverse cultural tradition as a selling point. Moreover, efficient use should be made of Western social media platforms to promote Shanghai, and to form an interactive travel community for overseas tourists by continuously adding User Generated Content (UCG) such as travel vlogs. Meanwhile, as our respondents gave statement from the items of DBA the lowest score, "When I think of business exhibition, Shanghai immediately jumps into my mind", Shanghai should actively promote itself as a global business travel destination since Sit has many world-class MICE facilities.

Thirdly, word-of-mouth marketing should be valued, develop tourism products with tourists' high revisiting rate to improve DBL. This study proposes that travel agency managers should attract and interactive more with tourists who show high revisiting intention, such as inviting them to attend overseas promotions, giving them more discounts for revisiting, encouraging them to promote Shanghai on Facebook or other overseas social media platforms. At the same time, travel agencies should focus on developing tourism products featuring high profit margin and customer stickiness, such as tailor-made tours and MICE tours.

Fourthly, Shanghai should be made an influential Event City and leverage the fan economy to promote Shanghai's DBV as well as Shanghai's popularity. Most event participants will focus more on great experiences they gain from activities and care less about participating costs. By hosting world-class events, Shanghai can boot its reputation in the world and especially attract more price-insensitive followers and fans.

Moreover, the destination marketing office (DMO) of Shanghai should build a clear DBI for different groups. Firstly, the female market could be emphasized to improve Shanghai's influence and charm among women. Secondly, for tourists with mid-to-high income and with post-secondary or above educational levels, the DMO of Shanghai should design high-standard, good-quality and experience-oriented tourism products to meet their demand. Thirdly, young tourists from Western countries could be targeted specifically by catering to their interests and acceptability, so that they can spread Shanghai's DBI to people around them, achieving the so-called "buzz marketing" effect.

Finally, the night economy could be leveraged to promote Shanghai as a world-class night sightseeing destination. This study found that Western group tourists have low acknowledgement that Shanghai is a sleepless city as only 6.6% of the respondents listed "night life" as their purpose to visit Shanghai. Full play should be given to making Shanghai's metropolitan nightlife more attractive, and build Shanghai's tourism brand as a "sleepless city" by developing more diversified night sightseeing programs and activities, and building a night travel-friendly city.

### 7. LIMITATIONS AND FUTURE RESEARCH

The country is an "umbrella brand" and the city brand is under the country brand (Herrero et al., 2017). This study has not studied how China's national brand affects Shanghai's city brand. This study uses a 7-point grading scale and its questionnaire consists of subjective questions. As there might have been deviation in understanding the questions in the questionnaire among the Western tourist respondents for the study of tourist destination brand equity, the accuracy and reliability of this study may have been compromised to some extent.

In future studies, we can, firstly, put Shanghai's tourist destination brand equity against the background of China's national tourist destination brand, and analyze China's tourism brand's effect on Shanghai's tourist destination brand; secondly, we can further clarify all the questions in the questionnaire and try making multilingual versions of a questionnaire including English so that tourists with different mother tongues can better understand and participate; thirdly, the samples could be more balanced in geographical distribution so that the model of tourist destination brand equity based on the perspective of tourists can be further perfected, and appropriate new variables could be added to the model for tourist destination brand equity.

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