

# Original Research Article

## **Analyzing the Determinants of Tourists' Buying Behaviour in Sri Lanka: With Special Reference to Tourism Destinations in Down South of Sri Lanka.**

Descriptive and Econometric Analysis of Tourists' Buying Behavior in three  
towns Down South Sri Lanka

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### **ABSTRACT**

**Aims:** This study models tourists' buying behavior in Sri Lanka analyzing key determinants of tourists' buying behavior along with demographic characteristics of the tourists. This study focuses on how Marketing Mix Factors, Situational Factors and Personal Factors and other demographic affect tourist buying behavior in three towns in Down South Sri Lanka.

**Methodology:** Data were collected from 500 tourists who visited three main tourist destinations such as *Hikkaduwa*, *Unawatuna* and *Mirissa* located in Down South of Sri Lanka. Both descriptive and econometric analyses were employed to accomplish the objectives of the study.

**Results:** The results of the descriptive analysis suggest that most of the tourists were from countries such as Russia, Germany and United Kingdom and their main purpose of the visits were recreation and leisure followed by education and health. Moreover, the respondents stayed 20 days on average in Down-South. However, it was observed that tourists' spending per day is significantly low and more than 69% of the tourists spent less than 100\$ per day. The econometric findings emphasize that all three key determinants of consumer buying behaviour– marketing mix factors, situational factors and personal factors positively affect the tourists' buying behavior. Apart from that, personal factors have been recognized as the most influential factor of tourists' buying behavior in the context of Sri Lanka. Furthermore, demographic characteristics of tourists such as gender, marital status, education level and employment status also affect tourist buying behavior.

**Conclusion:** Hence, appropriate policies are required to enhance the quality of all indicators of the marketing mix, situational factors and personal factors in order to increase tourists' buying behavior. Similarly, the current study also recommends the implementation of efficient policies to ensure security, cultural harmony and political stability in order to uplift tourists' buying behavior pattern.

**Keywords:** *Tourists Buying Behavior, Marketing Mix Factors, Tourists Arrivals, Tourism Destinations, Situational Factors*

18 **1. INTRODUCTION**

19

20 **1.1 THE TOURISM SECTOR: STEADY GROWTH AND A REAL INDUSTRY**

21

22 Globally, the tourism sector has shown a steady growth over the last two decades,  
23 transforming the touristic activities into a real industry. In the new millennium, we have  
24 witnessed a continuous growth of interest in the way people spend their leisure time. There  
25 is also great interest in the development of what people “consume” during these periods of  
26 free time, especially in times dedicated to travel and holidays. Tourism include activities  
27 where people travel to and stay in locations outside their usual surroundings for a period of  
28 not more than one consecutive year for leisure business or other purposes. Choices made  
29 by tourists are changeable due to the economic conditions in their countries of origin and  
30 perception of status associated with destination (Williams & Hall, 2000). In tourism, the  
31 efforts of boosting sales are carried out with help of personal selling, advertising, promotion,  
32 public relations and sales development tools. Social media platforms provide more rapid  
33 dissemination of such rumours and hence the effects of rumours are more great (Özdemir  
34 and Sari, 2014). With the aim of developing a model of tourist behaviour Moutinho (1993)  
35 has reviewed the social and psychological influences on individual travel Behavior.  
36 Moreover, Dimanche and Havitz (1995) have reviewed four concepts (ego-involvement,  
37 loyalty and commitment, family decision-making and novelty-seeking) in an attempt to  
38 methodologically advance consumer behaviour in tourism studies. Tourists’ consuming  
39 pattern is crucial in terms of tourism receipt which contributes to economic growth and  
40 development in different ways. As Fratu (2011) indicated, it is required to consider tourists’  
41 buying behavior when promoting and selling tourism products. Omondi (2017) defines  
42 tourism buying behaviour as the combination of acts, attitudes and decisions concerned with  
43 choosing buying and consuming any of the tourism products, services and its post  
44 consuming reactions. Englis & Solomon (2006) further elaborated that tourism buying  
45 ehaviour consists of certain decisions, activities and experiences which required to fulfil their  
46 needs and wants. Myers & Sar (2015) highlighted that consumer buying behaviour is widely  
47 affected by promotions, advertisements and also previous experiences.

48 Developing tourism is one of the major economic development strategies in Sri Lanka.  
49 According to the Tourism Strategic Plan, (2011) the major agendas of tourism development  
50 in Sri Lanka are create an environment conducive for tourism promotion, attracting the  
51 potential inbound tourist markets and create awareness and positive perception globally with  
52 the objective of achieving a target of twenty five million tourists within five years’ time period.  
53 Moreover, success of any tourist attraction has depended heavily on giving the customer  
54 what he or she wants. Since, tourism has been the third largest foreign income earner of Sri  
55 Lanka, it is crucial to examine tourists’ buying behaviour in the context of Sri Lanka.  
56 Similarly, being an island, Sri Lanka is popular for Sun and Sand tourism among the region  
57 and therefore majority of tourists prefer to visit major tourism destinations located in Down  
58 South costal area. However, lack of empirical studies on this matter leaves a huge gap that  
59 should be addressed by a proper empirical study. Therefore, the current study aims to  
60 recognize tourists’ consumer buying behaviour in the context of Down South of Sri Lanka.  
61 More specifically, major destinations such as Hikkaduwa, Unawatuna and Mirissa are taken  
62 into account on this regard.

63 **1.2 Research Objectives and Structure of the Study**

64 The main objective of the current study is to recognize the key determinants of tourists’  
65 buying behaviour in the context of Sri Lanka. The specific objectives of the study are as  
66 follows.

67 01. Examine the impacts of marketing mix factors, situational factors and personal  
68 factors on tourists' buying Behavior in Down South of Sri Lanka and recognize the  
69 most influential factor out them.

70 02. Observe whether the demographic factors of tourists influence their buying  
71 Behavior.

72 The current study is expected to achieve the highlighted objectives and the paper is  
73 structured as follow. The next section of the paper is allocated for the literature review where  
74 the existing knowledge is critically reviewed. After that, the methodology applied to achieve  
75 the objectives of the research is elaborated followed by the results and discussion. Finally,  
76 conclusions and recommendations of the study is highlighted along with reference.

77

## 78 **2. LITERATURE REVIEW**

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### 80 **02.1. Impact of Marketing-Mix Factors on Consumer Buying Behavior**

#### 81 ***Product***

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83 A components view of travel and tourism products suggests those tourism products as a  
84 category of components or elements, which consists transport, accommodation attractions  
85 and other facilities, like catering and entertainments. There are five main components of  
86 tourism products. The whole tourism product concept discusses wider view on product  
87 concept, defining tourism product as complete experience from the time tourist leaves home  
88 to the time he returns to it (Middleton & Clark, 2004). Leiper (1990) defines the attractions as  
89 systems or the sets of interconnected elements. Leiper (1990) further illustrates tourist  
90 attractions as all those elements of "non-home" place that tie discretionary travellers away  
91 from their homes. They usually include landscapes to observe, activities to participate in,  
92 and experiences to remember (Lew, 1987). Tourist attraction is a system that covers three  
93 elements: a tourist or human element, a nucleus or central element, and marker or  
94 informative element. Tourist attraction comes into existence when the three elements are  
95 connected (Leiper, 1990).

#### 96 ***Price***

97 The "price" of tourism is highly irregular due to the interdependent and seasonal nature of  
98 tourism services. Kimes and Chase (1998) stated that, understanding the composition of and  
99 an interrelationships among regional tourism products is a vital prerequisite to the  
100 development of an effective pricing strategy. Flexible pricing strategies play a main role in  
101 demand management, as lower prices can be used to tourist attraction towards various  
102 destinations during their off-seasons. Similarly, higher prices can be used to limit visitors in  
103 peak seasons. Kimes and Chase (1998) argued for a broader managerial view of yield  
104 management (also known as revenue management) than the more common tactical and  
105 mathematical perspective of pricing.

#### 106 ***Place***

107 An organization should pay attention to place decisions, because of the importance of the  
108 product and consumption occurring at the same time and at the same place; a place that  
109 delivers entire facts of customer, competition, promotion action, and marketing procedures.  
110 In addition, place focuses on how it can deliver the products on the right time and at the right  
111 place, and which channel has to be used to deliver the product (Copley, 2004). Travel

112 intermediaries are defined as members in the distribution chain in the tourism marketing  
113 channel. They include retail travel agents, tour packagers, incentive marketers, and tour  
114 wholesalers. They provide lodging, transportation and other travel products and services  
115 demanded by domestic and foreign tourists. Travel intermediaries have considerable  
116 influence in the decision making process of the tourist. They serve as an opinion leader and  
117 expert for taking a travel decision process. They play the role of influencers for many of their  
118 loyal customers. This implies that they are of greater importance to both the tourist and the  
119 destination marketer particularly in the cases of destinations with far greater distance from  
120 the point of origin.

### 121 **Promotion**

122 Promotion is basically considered a selling technique; to accomplish in every marketing  
123 program. It must be involved with communication (promotion). Promotion is vital as it  
124 provides information, advice, and persuades the target market in their buying Behavior. It  
125 guides and teaches the customer or consumer to take action at a particular time and how  
126 they can utilize the product and get beneficial outcome from it. Non - search capability refers  
127 to the fact that before they are purchased intangibles cannot be searched or inspected.  
128 Physical service attributes can be checked in advance, such as the appearance of a health  
129 club and the type of equipment installed, but the experience of working with the trainers can  
130 only be determined by experience.

### 131 **Personnel**

132 The level of service provided and the delivery of the service can be an important source of  
133 differentiation and competitive advantage. Service staff is the services' most visible element  
134 and the component that delivers service quality significantly. As the service staff represent  
135 the company in its interactions with the customers and deliver the brand promise, the service  
136 staff are also very much the service firm (from the customers' point of view) and the brand.  
137 Highly motivated service employees play a key role in anticipating customer needs, building  
138 customer relationships and building customer loyalty. Other than being an invaluable asset  
139 in high contact services, frontline staff is also crucial in low contact services where  
140 technology is largely commoditised. The firms' differentiation will then rest on these few  
141 moments of truth whether it is through the phone, email or face-to-face.

### 142 **Process**

143 Process is generally defined as action and function that increases value for low - cost and  
144 high - customer benefit products and is more important for service than for goods. According  
145 to Hirankitti et al. (2009), both the pace of the process and the ability of the service providers  
146 are clearly revealed to the customer and form the basis for their satisfaction with the  
147 purchase. Process management therefore ensures quality availability and consistency.  
148 Given the process management's simultaneous consumption and production, it is extremely  
149 difficult to balance service demand with service delivery (Magrath, 1986). Designing and  
150 implementing product elements is crucial for product creation and delivery.

### 151 **Physical Evidence**

152 This factor refers to the environment in which the service is delivered and any tangible goods  
153 facilitating the service's performance and communication. This is very important because the  
154 customer normally assesses the quality of the service it provides. (Rafiq & Ahmed, 1995). In  
155 addition, Mittal and Baker (1998) said, this factor also refers to the environment in which the  
156 services production is in. Similarly, Bitner (1990) adds that other visible surroundings can

157 affect the impressions perceived by the customers about service quality. The components of  
158 the service experience are called the "servicescape" - that is, the atmosphere, the  
159 background music, the seating comfort and the physical layout of the service facility, the  
160 appearance of the staff can greatly affect the satisfaction of a customer with a service  
161 experience (Rust, Zahorik and Keiningham, 1996). The environmental decoration and design  
162 also have a major impact on the service expectations of the customer (Shostack, 1977).  
163 Services cannot normally be displayed; therefore, companies should create an appropriate  
164 environment to emphasize the fact to customers (Rathmell, 1974).  
165

## 166 **02.2 Impact of Situational and Personal Factors on Consumer Buying** 167 **Behavior**

168  
169 Marketing literature has revealed that shoppers buying decisions can be affected by many  
170 factors, including individual and psychological characteristics, cultural, social and  
171 environmental variables and promotional strategies (Kotler, 2000). Belk (1975) argued that  
172 other situational factors influencing behavioral affect the decision process of the buyers and  
173 that this should be considered to explain the customers' purchase decisions. Belk argued  
174 that it is possible to classify time, place and other situational factors that influence the  
175 purchasing decision as environment. Therefore, it is acceptable that situations and  
176 Behavioral settings are subunits within an environment, although what 'bound and define'  
177 an environment is not clearly defined, it can be considered as the main characteristic that  
178 encompasses a number of factors (Belk, 1975).

179 Personal factors such as the age and state of a buyer's life cycle, occupation, economic  
180 situation, lifestyle, and personality and self-concept influence the decisions of an individual  
181 (Palani & Sohrabi, 2013). Change in the lifetime of consumers and the purchase of products  
182 vary depending on age and stage of life. Factors related to age include food, clothing,  
183 recreation and furniture taste (Moschis, 1994). In addition, during lifetime, environment,  
184 values, lifestyle, hobbies and consumer habits are evolving. Stages of family life change the  
185 behaviour of buying and the selection of brands. Traditionally, only young singles and  
186 married couples with children included a family life cycle. Marketers today focus on  
187 alternative, non-traditional stages such as unmarried couples, childless couples, same-sex  
188 couples, single parents and later-life singles (Kotler & Armstrong 2010).  
189

## 190 **3. METHODOLOGY**

### 191 192 **3.1 Research Design**

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194 The study is designed to examine the determinants of consumer buying behaviour in the  
195 context of international tourists in Sri Lanka. As Englis & Solomon (2006) indicated, series of  
196 activities which lead to make decisions to satisfy the consumers' needs and wants is known  
197 as consumer Behavior. Thus, consumer buying behaviour is an integral part of tourism  
198 marketing which directly focuses on promoting and selling tourism products (Fratu, 2011).  
199 Further, Myers & Sar (2015) emphasized that consumers make their decisions considering  
200 various factors such as influence of advertising and marketing, physical conditions of the  
201 products, consumers' expectation and background information as well. Considering the  
202 study by Omondi (2017), the present study recognizes main three factors of consumer  
203 buying behaviour in the context of Sri Lanka tourism market. The factors include Marketing  
204 Mix Factors, Situational Factors and Personal Factors. Table 01 below indicates the utilized  
205 indicators to measure each factor along with the dependent variable – tourists' buying  
206 Behavior.  
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209 **Table 01: Operationalization of Variables**  
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Factors/Variables	Indicator(s)	Measuring Scale
<b>Tourists' Buying Behavior</b>	The Product of Length of Stay and Average Spending per Day	Numerical
<b>Marketing Mix Factors</b>	Product	5 Point Likert Scale
	Price	5 Point Likert Scale
	Promotion	5 Point Likert Scale
	Place	5 Point Likert Scale
	Physical Evidence	5 Point Likert Scale
	People	5 Point Likert Scale
	Process	5 Point Likert Scale
<b>Situational Factors</b>	Physical Factors	5 Point Likert Scale
	Social Factors	5 Point Likert Scale
	Time Factors	5 Point Likert Scale
<b>Personal Factors</b>	Age Factors	5 Point Likert Scale
	Stage in Life	5 Point Likert Scale
	Personality and self-concept	5 Point Likert Scale
	Life Style	5 Point Likert Scale
	Income	5 Point Likert Scale

211 Source: Created by authors

212  
 213 Three indices such as Marketing Mix Factors (MMF), Situational Factors (SF) and Personal  
 214 Factors (PF) were constructed taking the average of each indicator.  
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### 216 **03.2 Study Area, Sampling and Data Collection Procedures**

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 218 The study based on main tourist destinations in down-south of Sri Lanka which include  
 219 Hikkaduwa, Unawatuna and Mirissa. According to SLTDA (2017), South Coast has been  
 220 reporting the highest foreign guest nights in graded accommodations (4,184,695 in 2017)  
 221 and also South Coast accounts for the highest capacity in tourist hotels (8,270 rooms).  
 222 Especially, Hikkaduwa, Unawatuna and Mirissa beaches have been recognized as most  
 223 attractive beaches in the South Coast which enrich with essential facilities for tourist to make  
 224 their stay more memorable. Consequently, aforementioned destinations were selected for  
 225 the study. Convenient sampling method were applied to collect data from altogether 500  
 226 international tourists who visited three destinations. A structured questionnaire was used to  
 227 collect the required data and key sections of the questionnaire such as marketing-mix  
 228 factors, situational factors and personal factors were prepared based on Omondi (2017).  
 229

### 230 **03.3. Analytical Techniques**

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 232 Collected data were analysed using descriptive statistics and econometric methods. The  
 233 descriptive analysis was used to visualize the profile of tourists, information related to  
 234 staying Sri Lanka along with indices related to market-mix factors, situational factors and  
 235 physical factors. Apart from that, the econometric analysis was applied to examine the  
 236 impact of each factor on consumer buying Behavior. Particularly, the following regression  
 237 model was estimated under Ordinary Least Squares (OLS) method.  
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 239



273 The reliability of a measurement is checked based on the Cronbach Alpha value and in  
274 general the value should be 7 or above. According to table 02, it is apparent that Cronbach  
275 Alpha values related to each dimension are higher than 0.7. Therefore, the measurements  
276 included in the questionnaire are reliable to conduct the present study.

277

278

## 279 **04.2 Descriptive Analysis**

### 280 ***Country of Origin of the Tourists and Purpose of Visit***

281 As table 03 indicates, majority of the tourists who visited the key tourism destinations in  
282 Down-South area were from Russia (17.8%) followed by Germany (17%) and United  
283 Kingdom (13.8%). Apart from that, Australian accounted for 13.8% while 5% equally  
284 accounted by the tourists from Netherland and Sweden. These facts reveal that majority of  
285 the tourists to Down-South are from developed countries and however wider diversity can be  
286 seen in terms of tourist arrivals to Down-South.

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288 **Table 03: Country of Origin**

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Country	Percentage
Russia	17.8%
Germany	17%
United Kingdom	13.8%
Australia	5.2%
Netherland	5%
Sweden	5%
Ukraine	4.4%
Canada	3.4%
France	3%
Czech Republic	2.6%
Switzerland	2.4%
Other	20.4%
<b>Total</b>	<b>100%</b>

290 Source: Computed by authors based on field survey

291

292 Figure 01 clearly visualizes that 85% of tourists visited Down-South for recreation and  
293 leisure purposes while 2.4%, 1.8% and 1.6% of tourists visited for education, official and  
294 business activities. Thus, it is apparent that Down-South is a more famous among tourist as  
295 recreation and leisure destination due to its locational attractions which mainly include  
296 beautiful beaches.

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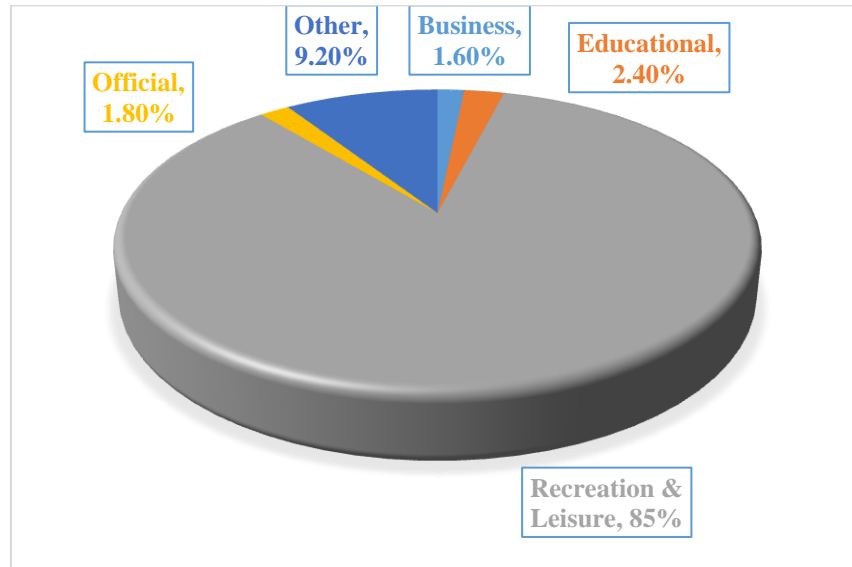
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**Figure 01: Purpose of Visit**



Source: Computed by authors based on field survey

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***Length of Stay and Average Spending per Day***

Both length of stay and average spending per day is crucial in terms of tourist receipts to Sri Lanka. Table 04 indicates the length of stay of the responded tourists. The table clearly highlights that 42.2% of tourists stayed 9-14 days in Down-South while 20.4% tourists stayed at 20-50 days. However, calculation confirms that the average length of stay of the respondents is 20 day.

**Table 04: Length of Stay**

No. of Days	Percentage
Less than 5	1.4%
05-09	11.4%
09-14	42.2%
15-19	19.6%
20-50	20.4%
More than 50	5%

Source: Computed by authors based on field survey

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Furthermore, it is indicated that tourists who stayed less than 5 days and more than 50 days are significantly low (6.4% in total).

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**Table 05: Average spending per day**

Expenditure US \$	Percentage
Below 50\$	38.9%
50\$ - 99\$	30.3%
100\$ - 149\$	17.1%
150\$ - 200\$	9.7%
More than 200\$	3.9%

336 Source: Computed by authors based on field survey

337 According to table 05, the majority of the tourists (38.9%) spent below 50\$ per day in Sri  
338 Lanka. Moreover, 69.2% of the tourists spent less than 100\$ per day in and therefore more  
339 than half of the tourists who visit Down-South spend less than 100\$ per day. Moreover, there  
340 were only 3.9 % of the tourists who spent more than 200\$ per day.

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### 342 **Impact of Marketing Mix Factors on Tourists' Buying Behavior**

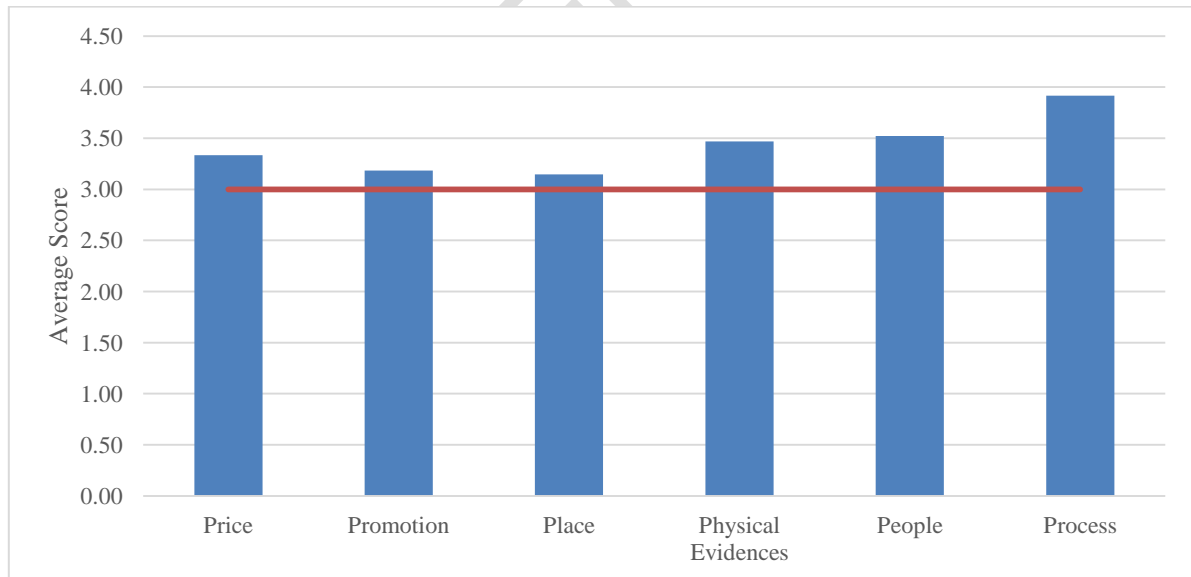
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344 There are six indicators such as price, promotion, place, physical evidences, people and  
345 process were used to measure the marketing mix factors. The respondents were asked  
346 whether these indicators affect their buying Behaviour and asked them to rank their response  
347 using five point Likert Scale. Indices were created for all six indicators getting the average  
348 values of Likert Scale provided by individual tourists. Figure 02 depicts the index values  
349 related to each indicator of marketing mix factors.

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351 **Figure 02: Impact of Marketing Mix Factors on Tourists' Buying Behavior**

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354 Source: Computed by authors based on field survey

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356 Since, the value "3" in the Likert Scale is considered as the neutral value, the value "3" is  
357 considered as the reference line. If the index value related to any indicator is greater than  
358 "3", it implies that the relevant indicator affects tourists' buying Behavior. As figure 02  
359 illustrates, index values related to all indicators are higher than the reference value of 3 and  
360 therefore, it can be concluded all indicators of marketing mix factors affect tourists' buying  
361 Behavior. In fact, Taleghani & Azizi (2013) highlighted that impact of quality of the people

362 and also hospitality of personnel in the industry, while Goi (2009) confirmed the quality of  
363 products affect consumer buying Behavior. Apart from that, scholars such as Li et al. (2013),  
364 Rodriguez et al. (2013) also elaborated that both price and place respectively influence  
365 consumers' buying Behavior.

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### 367 ***Impact of Situational Factors on Tourists' Buying Behavior***

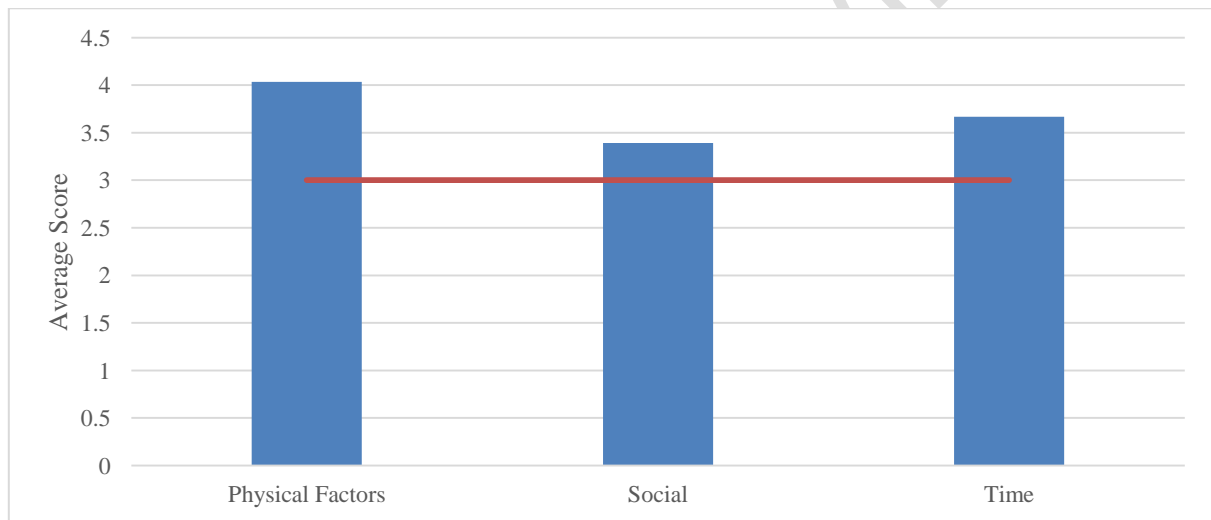
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369 The situational factors are measured using three indicators such as physical factors, social  
370 factors and time factors. As figure 03 indicates, index values related to all three indicators  
371 are higher than reference value of 3. It implies that situational factors such as physical,  
372 social and time factors influence tourists' buying behaviour in the context of Sri Lanka.  
373 Moreover, physical factors which include eco-friendly tourism practices, natural beauty and  
374 natural disasters have higher influence on tourists' buying behaviour compared to social and  
375 time factors.

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377 **Figure 03: Impact of Situational Factors on Tourists' Buying Behavior**

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380 Source: Computed by authors based on field survey

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382 Furthermore, the present findings are also in line with the findings of the empirical works  
383 such as Mondal (2015) and Schmoll (1977).

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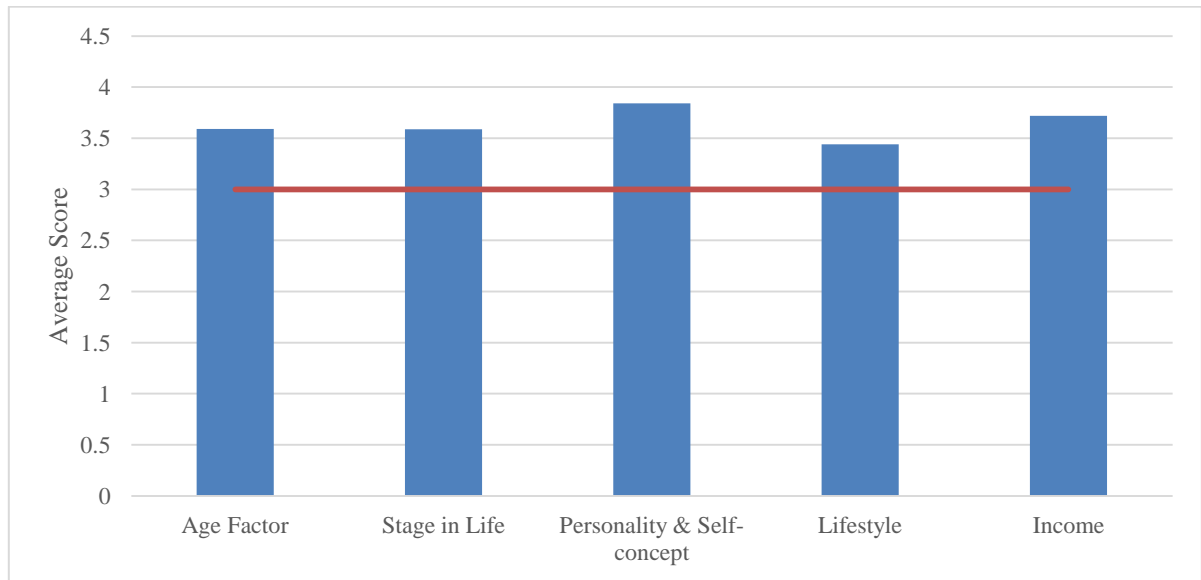
### 385 ***Impact of Personal Factors on Tourists' Buying Behavior***

386 Personal factors which represented by the indicators such as age, stage in life, personality &  
387 self-concept, lifestyle and income are also important to recognize the patten of tourists'  
388 buying Behavior. Figure 04 illustrates the index values related to each indicator in  
389 comparison with the reference value of 3. According to figure 04, it is apparent that index  
390 value related to all indicators are higher than that of the reference level. Hence, indicators  
391 such as age, stage in life, personality & self-concept, lifestyle and income affect tourists'  
392 buying Behavior.

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395 **Figure 04: Impact of Personal Factors on Tourists' Buying Behavior**



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Source: Computed by authors based on field survey

399 In addition to the present findings, Kotler & Armstrong (2010) emphasized that age structure,  
400 family life stage and personal preferences highly affect tourists' purchasing behaviour on  
401 tangible and non-tangible goods and services. Similarly, scholars such as Scott & Mowen  
402 (2007) and Alvarez & Asugman (2006) also discussed about how self-concept and  
403 personality affect consumers' buying Behavior. Particularly, Alvarez & Asugman (2006)  
404 stressed that both self-concept and personality change over time and hence impact of self-  
405 concept and personality on consumers' buying behaviour is dynamic.

### 406 **04.3. Econometric Analysis**

407 The descriptive analysis above clearly indicated how the marketing mix factors, situational  
408 factors and personal factors individually influence tourists' buying Behavior. However, a solid  
409 statistical approach is required to assess the impact of each factor on tourists' buying  
410 behaviour quantitatively. Thus, regression analysis which is indicated in equation (1) in the  
411 methodology sections was estimated under OLS method. Table 06 summarises the  
412 estimated results of the regression analysis. Log of buying behaviour is assigned as the  
413 dependent variable of the model along with number of independent variables.

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**Table 06: Estimated Results of the Regression Model**

Variables	Coefficients	Standard Errors	t-Ration	P-Value
LnMMF	0.3943*	0.2322	1.70	0.090
LnSF	0.3554*	0.1846	1.93	0.055
LnPF	0.5970***	0.1978	-3.02	0.003
LnAGE	0.9302***	0.0324	28.63	0.000
<b>Gender(Female)</b>				
Male	-0.0932*	0.0536	-1.74	0.083
<b>Marital Status (Unmarried)</b>				
Married	-0.0974*	0.0526	-1.85	0.065
<b>Education (School)</b>				
University	-0.2094***	0.0755	-2.77	0.006
Above University	-0.1534*	0.0840	-1.83	0.068
<b>Employment Status (Unemployed)</b>				
Government	-0.0653	0.1038	-0.63	0.530
Semi Government	-0.0290	0.1274	-0.23	0.820
Private	0.0343	0.0858	0.40	0.689
Self Employed	0.0135	0.0999	0.14	0.892
Employer	-0.0509	0.1023	-0.50	0.619
Retired	0.2388*	0.1409	1.69	0.091
Constant	4.0562***	0.2928	13.85	0.000
<b>R2</b>				
	0.6549			
<b>F(14,475)</b>				
	64.39			
<b>Prob &gt; F</b>				
	0.0000			
<b>Observations</b>				
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Source: Calculated by authors based on survey data

Note: \*- Significant at 10%, \*\* - Significant at 5%, \*\*\*-Significant at 1%

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As table 06 indicated all three key factors of tourist buying behaviour positively and significantly affect tourists buying behaviour decision in the context of Sri Lanka. Particularly, one percent increase in MMF index leads to increase consumer buying behaviour index by 0.39 percent and the estimated coefficient is statistically significant at 10% level. In fact, this finding is in line with Perreault et al. (2013) who confirmed all dimensions of marketing mix factor are highly associated with tourists' buying Behavior. Similarly, Perreault et al. (2013) mentioned that combined effect of market mix factors is higher than that of individual component of market mix factors. Moreover, Taleghani & Azizi (2013) also found the same relationship between tourists buying behaviour and market mix factors. Apart from that, situational factors also significantly affect tourist buying behaviour and one percent increase in the index of situational factors results to increase buying behaviour by 0.35 percent. In fact, major points considered under situational factors such as physical factors, social factors and time factors are crucial for tourist not only to select destinations but also to decide their consumption pattern and length of stay. The present finding related to situational factors also confirmed by Omondi (2017), Kotler (2000) and Belk (1975) and they highlighted that sub-components of situational factors affect tourist buying behaviour over different tourism products and holiday packages. Unlike marketing mix and situational factors, personal factors have become to most influential factor determinant of tourist buying Behavior. More specifically, one percent change in the index of personal factors causes to change buying behaviour index by 0.59% and the estimated coefficient is significant at 1% level.

445 Consequently, it is confirmed that impacts of personal factors on tourist buying behaviour are  
446 significantly higher than both marketing mix factors and situational factors in the context of  
447 Sri Lanka. In fact, personal factors such as age structure, stage in life, personality, income  
448 and lifestyle play a vital role when people make decisions. Similar findings related to  
449 personal factors have also been observed by Moschis (1994), Kotler and Armstrong (2010)  
450 and Omondi (2017). Further, Moschis (1994), indicated that pattern of consumer buying  
451 behaviour varies during the lifetime of the consumer Omondi (2017).

452 In addition to above discussed key determinants, demographic factors such as age, gender,  
453 marital status and educational level also affect tourist buying behaviour in Sri Lanka.  
454 According the table 06, it is apparent that tourist buying behaviour index increases with the  
455 age of tourists and also the relationship is statistically significant at 1% level. Scholars such  
456 as Fratu (2011), Omondi (2017) and Kotler & Armstrong (2010) also recognized age as an  
457 important determinant of consumer buying Behavior. Apart from age, gender variation in  
458 tourist buying behaviour is captured by introducing a dummy variable in which female is  
459 assigned as the reference group. According to the estimated coefficient, male tourists'  
460 buying behaviour is lower than that of female tourists'. Similarly, unmarried tourists have  
461 higher buying behaviour nature than their married counterparts. In fact, it is generally  
462 accepted fact that unmarried have lack of responsibilities and hence they tend to spend  
463 more on leisure activities and other tourism products. Estimated coefficients for both gender  
464 and marital status are significant at 10% level.

465 The current study also observed a statistically significant relationship between educational  
466 level and tourists' buying Behavior. Interestingly, it is examined that tourists who have only  
467 'school' level education have higher consumer buying behaviour compared to the tourists  
468 who have 'university' or 'above university' educational qualifications. Better education is  
469 essential to make rational decisions and thus more educated tourists might spend carefully  
470 and also might postpone their buying decisions due to various reasons whereas tourists with  
471 comparatively low educational qualifications spend more on tourism products as their  
472 Marginal Propensity to Consume (MPC) is considerably higher than that of more educated  
473 counterparts. Apart from that, employment statuses do not significantly affect tourist buying  
474 behaviour decisions. It implies that, tourists' buying behaviour decisions do not vary across  
475 various employment statuses. However, tourists who are retired from their employment  
476 account for significantly higher buying behaviour pattern compared to all unemployed and  
477 employed counterparts and the estimated coefficient is statistically significant at 10% level.

478 The estimated model is statistically significant at 1% level ( $\text{Prob}>F = 0.0000$ ) and therefore  
479 the model accurately estimates how the tourists buying behaviour correlates with its  
480 determinants. Moreover, coefficient of determination ( $R^2$ ) also confirms the same fact as all  
481 the independent variables jointly explain 65% of total variation of the dependent variable –  
482 tourist buying Behavior.

## 483 **05. CONCLUSIONS AND RECOMMENDATIONS**

484 The main objective of this study is to examine the determinants of tourist buying behaviour  
485 considering the tourists who visit tourism destinations in Down-South in Sri Lanka. Data  
486 were collected from 500 tourists from three main tourism destination namely Hikkaduwa,  
487 Unawatuna and Mirissa. The descriptive analysis suggests that most of the tourists were  
488 from countries such as Russia, Germany and United Kingdom. Moreover, majority of the  
489 tourists visited Down-South for recreation and leisure purposes while only a negligible  
490 amount of tourists visited for business, education and official purposes. Considering the  
491 length of stay, the respondents stayed 20 days on average in Down-South and however,  
492 69.2% of the tourists spent less than 100\$ per day and therefore more than half of the

493 tourists who visit Down-South spend less than 100\$ per day. The econometric analysis  
494 highlights that all three key determinants of consumer buying behaviour– marketing mix  
495 factors, situational factors and personal factors positively affect the tourists' buying  
496 behaviour while personal factors have been recognized as the most influential factor of  
497 tourist buying behaviour in the context of Sri Lanka. Apart from that, demographic factors  
498 such as gender, marital status, education level and employment status also significantly  
499 affect tourist buying Behavior. Thus, the current study proposes to adopt necessary policies  
500 to enhance the quality of the all the marketing mix factors in order to increase tourists'  
501 buying Behavior. More specifically, policies related to transparent and stable price policies,  
502 better promotional campaigns, efficient business process are strongly recommended. Apart  
503 from that, appropriate policies to ensure security, cultural harmony and political stability are  
504 also crucial. Moreover, it is essential to consider the demographical factors of tourists when  
505 implementing such policies.

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