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North Atlantic Islands' Location in Tourists' Minds
Iceland, Greenland, and the Faroe Islands

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ABSTRACT

This paper investigates what image travellers in Iceland during the summer months have of the country as a tourist destination, and whether positioning of Iceland, the Faroe Islands, and Greenland together in tourist markets as one area is feasible. The paper reports results of two surveys. The first survey (unstructured) measures the holistic image of Iceland. The results from this survey were coded with a qualitative methodology. The second survey (structured) measures the attribute image of Iceland in comparison with five other countries, Norway, Scotland, Greenland, Finland and the Faroe Islands.

Results from the unstructured survey indicate that travellers have the strongest holistic image of Iceland as a scenic nature destination. Results from the structured survey indicate that the tourists consider Iceland to be a safe place to visit, an opportunity for adventure, a friendly and hospitable destination, and a country of scenic and natural beauty. Results also indicate that people have strong and clear images of Iceland. The perceptual map results show Norway is Iceland's main competitor for tourists. According to the results, Iceland, the Faroe Islands and Greenland seem to have a different image in tourists' minds. Two-country comparisons suggest Iceland and Greenland have more in common than Iceland and Faroe Island.

1 INTRODUCTION

Increasing internationalization leads to increased competition (Friedman, 2006). Accordingly, organizations and nations need to create a competitive advantage to be able to compete successfully for access to markets, materials and people (Anholt, 2003; Hooley, Saunders and Piercy, 1998; Porter, 1998). The image of organizations and nations and how it is communicated at the national and international level is important for the sustainability of this competitive advantage (Anholt, 2003; Ries and Trout, 2001). In November 2007 the Icelandic Prime Minister's Office assembled a committee to analyze the image of Iceland and come up with solutions regarding how it would be possible to strengthen the image internationally. The committee handed in a report with its proposals in March 2008. This report, "The image of Iceland – strength, status and policy," states that the image of Iceland is mainly important in three areas. Namely, the image of Iceland as an investment alternative for foreign organizations, as a tourist destination for foreign travelers and for Icelandic goods and services that are exported (Prime Minister's Office, 2008). Out of these three areas mentioned, it was decided to focus the research on the image of Iceland as a travel destination for foreign travelers. The image of tourist destinations is important, because it influences both the decision making behavior of potential tourists (Jenkins, 1999) and the level of satisfaction tourists have, based on the actual experience at the destination (Chon, 1990). The image in the minds of potential travelers is so important in the destination selection process that it can affect the viability of the destination (Hunt, 1975). At the international level, destinations often compete on nothing more than the image held in the minds of potential travelers. Therefore, marketers of tourist destinations spend money, time and effort to create the right favourable image to guide prospective travelers in their decision to visit or re-visit their destinations. In the internationally competitive environment of today's tourism

industry, marketers and developers of destinations should have a good understanding of travelers image of their destination, as well as an understanding of the image travelers hold of competing destinations (Baloglu and McCleary, 1999a). Developing a competitive position for a destination among other tourism destinations in the minds of tourists is usually accomplished by creating and communicating a favorable image to potential tourists in target markets (Calantone, Benedetto, Hakam and Bojanic, 1989; Gartner, 1993). A major objective of any destination positioning strategy will be to reinforce a positive image already held by a target market, correct a negative image, or create a new image (Pike and Ryan, 2004). The image of cities, states and countries as travel destinations has been researched all around the world for the past thirty years (Pike, 2002; Tasci, Gartner and Cavusgil, 2007). There have been few research conducted to study the image of Iceland as a travel destination (Prime Minister's Office, 2008). The Icelandic Tourist Board (Ferðamálastofa) has conducted some surveys about travelers' attitudes concerning their stay in the country (Icelandic Tourist Board, 2004a,b). They have also conducted an image research in Germany, Britain, France, Sweden and on the east coast of USA about the effects of whaling on the image of Iceland as a travel destination (Prime Minister's Office, 2008). The project "Iceland Naturally", which is designed to promote Iceland as a travel destination among other things, has conducted some image research in the USA market since 1999 (Gudjonsson, 2005). The research questions in this paper cover the following issues.

- What is the image of Iceland in the minds of foreign travelers?
- What is Iceland's leading competitor among the countries that it was compared to?
- Is it possible to position Iceland, the Faroe Islands, and Greenland as one travel destination?

The goal is also to examine if Iceland, the Faroe Islands and Greenland can be positioned together in tourist markets as one area. The reason behind this goal is that it has been established that areas that pool their resources can have more marketing power if they cooperate than if they use resources separately (Buhalis, 2000; Cai, 2002; Haathi and Yavas, 1983). Since these countries are geographically close to each other and are working together in trying to strengthen and coordinate their tourism planning, for example through the North Atlantic Tourism Association agreement (NATA), (Icelandic Tourist Board, 2008a; Ministry of industry, energy and tourism, 2008), this was considered an interesting goal. To accomplish these goals, both an unstructured survey and a structured (quantitative) survey will be created and administered to tourists. In the quantitative survey, Iceland will be compared to five other travel destinations, Norway, Scotland, the Faroe Islands, Finland and Greenland. The result of this research will hopefully shed some light on the image of Iceland as a travel destination.

This paper will begin, in chapter two, with discussion about destinations and what they comprise. The chapter will also examine what destinations can do to be more competitive. A part of their competitiveness is to use the STP approach to marketing. This approach will be explained. In chapter three the image concept will be discussed. The chapter will start by examining the image concept in relation to psychology as well as products and countries. Then later in the chapter, destination image will be examined. Chapter four will show the results from the image study that was conducted. The chapter will start by discussing the research methods that were used, then the survey implementation will be explained. Finally, the results will be put forth, first by looking at the unstructured survey and then by showing the results from the structured survey. Chapter five will discuss the findings, come up with some positioning ideas, discuss the survey shortcomings and propose some future research topics.

2 DESTINATIONS AND THEIR COMPETITIVENESS

The term destination has been applied to a country, a region within a country, a city and a resort (Buhalis, 2000; Lumsdon, 1997). However, it is increasingly recognized that a destination can also be a perceptual concept, interpreted subjectively by travelers depending on their cultural background, purpose of visit, educational level and past experience. A tourist from Europe may look at another country within Europe as his destination while a Japanese tourist visiting six countries in Europe in two weeks, may consider Europe as destination (Buhalis, 2000).

2.1 DESTINATIONS AS PRODUCTS

A destination can be regarded as a combination of all products, services and experiences provided at the destination. These can be accommodation, entertainment (theatres, galleries, clubs, concerts, cinemas and casinos), events (world fairs, carnivals, major sports events and festivals), restaurants and catering, visitor attractions (nature reserves and country parks, museums and theme parks), retailing, transportation services and public goods (landscape, scenery, sea, lakes, sociocultural surroundings, atmosphere) (Buhalis, 2000; Lumsdon, 1997). All these are branded together under the name of the destination (Buhalis, 2000). The three elements that have the most influence on a destination and are the substance of the core offering are the natural resources, the climate and the culture (Crouch and Ritchie, 1999; Lumsdon, 1997). The cultural element seems to be growing in significance for many tourists, who feel too many destinations resemble one another. Thus, if a destination can provide visitors with a unique setting to experience lifestyle outside of their everyday routine, it has a clear competitive advantage (Crouch and Ritchie, 1999).

Many of the elements that make up a destination are external factors that marketers are not in a position to control or change (Crouch and Ritchie, 1999).

Because destinations are controlled by parties in both the public and private sector, changing what a destination has to offer is a complicated task (Buhalis, 2000).

2.2 COMPETITIVENESS OF DESTINATIONS

The success of tourist destinations in world markets is influenced by their relative competitiveness to other destinations. A destination is competitive if it can attract and satisfy tourists and this competitiveness is determined both by tourism-specific factors and by wide range of other factors that influence the destination service providers (Enright and Newton, 2004). The rapid development of new destinations, especially in Africa and South America, generates high level of competition. Destination planning and marketing is becoming more complex as tourists consume regions as travel experiences, often ignoring the fact that the destination product consist of a number of individually produced products and services. Providing innovative and well-coordinated products is therefore important for tourism regions. Partnership between the public and private sector and close co-operation between all local suppliers is the key to the ability of destinations to offer quality products (Buhalis, 2000). Matching or exceeding consumers' expectations is important for the ability of both suppliers and destinations to attract visitors in the long term (Chon, 1990). Co-operation between competing and complementary destinations enables regions to learn from each other and adapt to the requirements that tourists have (Buhalis, 2000).

To be competitive, destinations must develop the right marketing strategy. The right marketing strategy is carried out by selecting a segment of the market as a target market and by meeting the wants and needs of customers within the target market better than competitors (Burns and Bush, 2006; Hooley, Saunders and Piercy, 1998). This strategy is also known as the STP approach, which stands for segmenting, targeting and positioning. Segmentation

groups customers with similar wants, needs and responses. Targeting determines which group should be selected and in what manner this group should be served. Positioning addresses how products and services compete with other offerings in the market. By focusing marketing resources to serve the chosen group of customers, more value can be delivered to those customers. The customers that perceive more value from a product/service (brand) will develop a stronger preference for it than for competing brands, become more loyal to it and tend to repeat their purchase and communicate their favorable experiences to other potential customers (Lilien, Rangaswamy and De Bruyn, 2007).

Developing a competitive position for a destination in the marketplace is usually accomplished by creating and transmitting a favorable image to potential travelers in a predefined target market (Crompton, Fakeye and Lue, 1992; Gartner, 1993). To be successfully promoted in the target markets, a destination must have a product with benefits that are differentiated and positively positioned in the minds of travelers (Gartner, 1993).

To develop a positioning strategy, destination marketers need to know the strengths and weaknesses of their destinations. Frame of reference with the competition is also necessary, since a position is based on a product's perceived performance relative to competitors (Haahti and Yavas, 1983; Pike and Ryan, 2004). This information can help destination marketers see if the tourists perceive the destination offerings (demand side) to be consistent with the destination's resources and market offerings (supply side) (Baloglu and McCleary, 1999a). The destination should make use of the attributes that differentiate it from competitors (Crompton, Fakeye and Lue, 1992). There should be a consistency among the various offerings and the positioning statement that is used, guides the product development. The position must be believable in the tourists' minds and the destination must consistently deliver

that promise (Pike and Ryan, 2004). For an image to be effective, it must meet these five criteria (Gertner and Kotler, 2004: 55):

1. **It must be valid.** If a place promotes an image too far from reality, the chance of success is minimal.
2. **It must be believable.** Even if the proposed image is valid, it may not be readily believable.
3. **It must be simple.** If a place disseminates too many images of itself, it leads to confusion.
4. **It must have an appeal.** The image must suggest why people would want to live in, invest in, work in or visit a place.
5. **It must be distinctive.** The image works best when it is different from other common themes.

One of the first tourism boards to implement a marketing plan based on positioning was the Irish Tourist Board in 1965. First they identified the unique attributes of Ireland as held by key target markets (UK, USA, Canada, Germany, France and Scandinavia). These attributes included Roman caravans, medieval banquets in castles and folk singing and dancing. Although this was the image in the tourists' minds, no such offerings were available to tourists. Thus, the Irish Tourist Board established grants and encouraged companies to develop these tourism products and the board handled the marketing aspects (Botha, Crompton and Kim, 1999).

3 IMAGE

At the most fundamental level, image and how it is formed and measured is derived from the study of imagery in psychology (Echtner and Ritchie, 1991).

Imagery has been defined:

“as a process by which sensory information is represented in working memory.” (MacInnis and Price, 1987: 473)

The image concept has its roots in marketing (Konecnik and Garner, 2007). Sidney Levy of Northwestern University introduced the concept of image in 1955, and it has since then been applied to various objects (Barich and Kotler, 1991), for instance in anthropology, sociology, geography and semiotics (Gallarza, Gil and Calderón, 2002). Academic interest regarding the concept of image has, in several fields and disciplines, been extensive since the early works of Boulding in 1956 and Martineau in 1958. Martineau proposed that human behavior is dependent upon image rather than objective reality. Early work on the concept of image has led to the suggestion that the world is:

“a psychological or distorted representation of objective reality residing and existing in the mind of the individual.” (Baloglu and McCleary, 1999a:871)

An often cited definition of the concept of image comes from Barich and Kotler (1991: 95):

“The sum of beliefs, attitudes, and impressions that a person or group has of an object. The object may be a company, product, brand, place, or person. The impressions may be true or false, real or imagined.”

MacInnis and Price (1987) suggest that products are perceived both in terms of individual attributes (discursive processing) and holistic image (imagery

processing) and that both these dimensions are used when consumer evaluate the product prior to the purchase. Sometimes consumers form opinions about a products attributes, whether they know anything about them or not, based on their knowledge on only one of the product's attributes. This process is called the halo effect. People feel that certain attributes go together and they make inferences about the product's attributes based on a single or few known aspects. Sometimes one attribute attracts the attention of most consumers and plays a disproportionately large role in the image of the product (Reynolds, 1965; Solomon, Bamossy, Askegaard and Hogg, 2006).

3.1 *COUNTRY IMAGE*

Every place has an image (Papadopoulos and Heslop, 2002). People have an image of countries that can be brought forth by simply saying their names. A country's image can be formed from many sources (Kotler and Gertner, 2002; Papadopoulos and Heslop, 2002) among other things it results from a country's geography, history, proclamations, art and music and famous citizens. The entertainment industry and the media play a large part when it comes to shaping people's perceptions of countries, especially those viewed negatively (Kotler and Gertner, 2002). People routinely use these perceptions to make sense of the world around them by associating them with, for example, objects, events, experiences, products and persons (Mossberg and Kleppe, 2005; Papadopoulos and Heslop, 2002). The image of a country is likely to influence people's decisions related to purchasing products, investing in, changing residence and travelling to that country (Kotler and Gertner, 2002). The image of a country can be defined as:

“the total of all descriptive, inferential, and informational beliefs about a particular country.” (Mossberg and Kleppe, 2005: 495)

The formation of an image relies on perception (Papadopoulos and Heslop, 2002) and most country image is intertwined with stereotyping (Kotler and Gertner, 2002; Papadopoulos and Heslop, 2002). Stereotyping is:

“the process of generalizing to an entire class of objects from a limited number of observations. Stereotypes develop over time as one classifies repeated observations into schemata which are then correlated to form one’s view of the world.” (Papadopoulos and Heslop, 2002: 295)

So a stereotype image is extreme, not necessarily accurate, simplifications of the reality. It might be outdated, based on things that are expectations rather than a part of a pattern and can also be based on peoples’ impressions rather than on facts (Kotler and Gertner, 2002). A country’s image has many dimensions and may carry large amounts of information built on both fact and feelings.

Products are excluded from the definition of a country image, but country image can be connected to specific products (Mossberg and Kleppe, 2005). The relationship between the image of a country and the image of the products made in that country is one of the most prominent topics in international business research (Hooley, Shipley and Krieger, 1988; Kotler and Gertner, 2002; Papadopoulos and Heslop, 2002). According to Parameswaran and Pisharodi (2002), the intention to purchase a product from a country is influenced by the specific product attributes of the brand in question along with general perceptions of products from the country, as well as the perception consumers have of the country and its people. It has been demonstrated that consumers’ willingness to purchase products is related to the economic, political and cultural characteristics of the products’ country of origin (Parameswaran and Pisharodi, 2002).

Tourism and product country image appear to have a two-way relationship. On the one hand, when people travel to a country their image of it may change

from a simple stereotype to one that more accurately captures the actual features of a country (Nadeau, Heslop, O'Reilly and Luk, 2007). The image of a country established through tourism experience is also likely to have a positive effect on the export of goods and services (Gnoth, 2002). On the other hand, the image of a country (including its products) can directly affect the intention to visit that country (Nadeau, Heslp, O'Reilly and Luk, 2007).

3.2 DESTINATION IMAGE

Research on the image of destinations began in the early 1970s with Gunn's work in 1972 on how destination image is formed (Gunn, 1988), and Hunt's work (1975) on how destination image is measured (Gallarza, Gil and Calderón, 2002; Konecnik and Gartner, 2007; Nickerson and Moisey, 1999). In the years 1973 to 2000, there were at least 142 papers published that directly or indirectly investigated destination image topics (Pike, 2002). There are many possible approaches to studying destination image because it has many implications for human behavior (Gallarza, Gil and Calderón, 2002). Destination image is closely related to the field of environmental psychology which utilizes assessment of cognitive or perceptual mapping, environmental response, environmental personality, environmental preference and affective qualities of places (Tasci, Gartner and Cavusgil, 2007). In geography, destination image has been studied in a field called mental mapping. It refers to the component of image which contains spatial information concerning what is located where within a place. Knowledge of tourists' spatial maps may give insight into the composition of destination experiences (Walmsley and Jenkins, 1992; Young, 1999).

3.2.1 Destination image definition

There are many definitions available about the concept of destination image and many authors have tried to get to the core of it (Gallarza, Gil and Calderón,

2002). Some authors have examined how the destination image concept has been defined in the literature (e.g. Echtner and Ritchie, 1991; Gallarza, Gil and Calderón, 2002; Tasci, Gartner and Cavusgil, 2007). Hunt (1975:1) defined image as:

“perception held by potential visitors about an area.”

Crompton’s definition is cited most commonly in other academic articles (Jenkins, 1999):

“the sum of beliefs, ideas and impressions that a person has of a destination.” (Echtner and Ritchie, 1991: 7)

Gallarza, Gil and Calderón (2001) wrote that image always corresponds to an interiorization of some perceptions and that not everyone has the same perceptions. According to them, destination image refers to perceptions of tourists in a destination. These correspond to the perceived contribution of various services to be found at destinations, such as accommodation, food and transport (Gallarza, Gil and Calderón, 2002). Tasci, Gartner and Cavusgil (2007:200) concluded that destination image was:

“an interactive system of thoughts, opinions, feelings, visualizations, and intentions toward a destination.”

Tasci, Gartner and Cavusgil (2007) wrote that the use of perception of an image is theoretically inappropriate when potential tourists have not yet experienced perception through pictures or visitation. Baloglu and McCleary (1999a) and Tasci, Gartner and Cavusgil (2007) studied all the components proposed by destination image researchers and concluded that the three main components are cognitive, affective and conative components. Cognition is the sum of a

person's knowledge about a destination, which may be organic or induced. This is the awareness, knowledge or belief that people have about a destination. Affect represents an individual's feeling toward a destination. The conation component may be considered as the likelihood of visiting a destination within a certain time period (Baloglu and McCleary, 1999a; Tasci, Gartner and Cavusgil, 2007; Pike and Ryan, 2004).

3.2.2 Destination image frameworks

Several authors (e.g. Echtner and Ritchie, 1991; Fakeye and Crompton, 1991; Gartner, 1993) have written about the lack of a conceptual framework for studying destination image. A number of authors have put together a conceptual framework for the components of destination image research, for example, Baloglu and McCleary (1999a), Echtner and Ritchie (1991), Gallarza, Gil and Calderón (2002) and Tasci, Gartner and Cavusgil (2007). Despite widespread interest in a unified destination image theory, no single approach is commonly accepted (Konecnik and Gartner, 2007). Many researchers agree that Echtner and Ritchie (1991, 1993) have contributed greatly to the framing of destination image (Gallarza, Gil and Calderón, 2002; Tasci, Gartner and Cavusgil, 2007). Their study was the initial attempt in destination image research literature to link the main components of image together in a useful and interactive way (Tasci, Gartner and Cavusgil, 2007).

In their article "The meaning and measurement of destination image", Echtner and Ritchie (1991) wrote that destination image research depended too much on quantitative studies with structured questionnaires. They said that structured questionnaires measured only the cognitive component of the destination image, with emphasis on a list of destination attributes. They suggested that destination image should be measured and defined along three dimensions; 1) attributes – holistic, 2) functional – psychological, 3) common – unique. They proposed a conceptual framework built along these dimensions to

view and measure the image of destinations. The framework can be seen in figure 1.

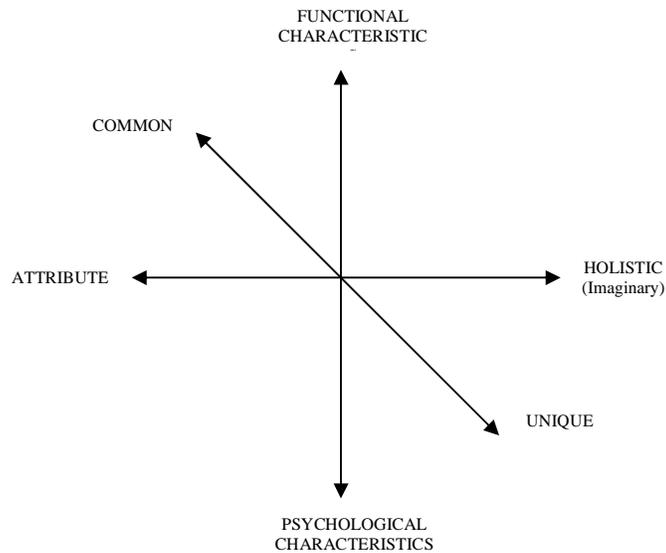


Figure 1. The components of destination image (Echtner and Ritchie, 1991).

Individual attributes are, for example, climate, tourist facilities, landscape or the friendliness of the local people. Holistic impressions, in the case of a tourist destination, are the mental picture or imagery people have about the place. The functional components are those elements that are observable or measurable and the psychological components are those that are less tangible or are difficult to measure. By interrelating the dimensions functional – psychological and attributes – holistic, it comes clear that an attributes image and a holistic image of a destination can be a functional one or a psychological one. Examples of common characteristics are price level, transportation infrastructure and climate (functional) and level of friendliness of local people, safety, quality of service expected and fame (psychological). Examples of the unique features and events (functional characteristics) are China and the Great Wall or Greenland and Eskimos or Brazil and the Carnival in Rio. On the psychological axis of

uniqueness, destination image can include the aura of the Vatican or the romantic atmosphere of Paris (Echtner and Ritchie, 1991).

3.2.3 Destination image formation

The two sides in destination image formation are the destination and the receiver. So image formation is both a supply-side (pull factors) and a demand-side (push factors) component. There is also a third independent component that can affect the information received. The projected image and the received image are not always the same because of alteration and modification of the message. Image formation agents arise through personal experience and they can be formed solely through information sources or even in the absence of any commercial information (Tasci and Gartner, 2007).

Gunn was among the first, in 1972, to break the image formation process into component parts (Gartner, 1993). Gunn (1988) suggested that the image formation would happen in seven stages:

1. **accumulation** of mental images of a place (organic image)
2. **modification** of images through researching prior to the decision to travel (induced image)
3. the **decision** to travel based on image efficiency and anticipated experience but kept within time, money and other constraints
4. **travel** to attraction may condition the image (for example road signs, landscape, guides)
5. **participation** or experience at the destination, the activities, accommodation and other services all influence the image (modified-induced image)
6. **return travel** allows reflection and evaluation, including discussing experiences with fellow travelers

7. **new accumulation** occurs after the visit because the process is circular, the end image may be the same or different to the original one

Gunn (1988) suggested that image was formed on an organic or induced level. Organic image is formed as an exposure to information from resources that are not linked in any way to a destination. These sources can be school lessons, stories from friends, newspapers, magazines or television. This organic image evolves into an induced image which is an image influenced by tourist organizations' directed information, like travel brochures or advertisement. Gunn suggested that even an individual who has never visited a destination or sought information about it will have some image of it in his mind, though it may be incomplete. He also suggested that the image held by potential visitors, non-visitors and return visitors will not be the same (Gunn, 1988).

Building on the work of Gunn and others, Gartner (1993) proposed a typology of eight image formation agents; 1) overt induced I, 2) overt induced II, 3) covert induced I, 4) covert induced II, 5) autonomous, 6) unsolicited organic, 7) solicited organic and 8) organic. These agents relate to degree of control by the promoter and credibility with the target market (Mackay and Fesenmaier, 1997). The stages often operate concurrently, forming an image in the mind of the prospective traveler that is individually distinct but with features shared by others. An image formation agent differently affects formation of mental destination image and has important implications for the creation and change of image by destination marketers (Gartner, 1993).

The initial image formation stage before a trip is the most important phase in tourists' destination selection process (Baloglu and McCleary, 1999a; Gunn 1988). Many models of consumer behavior argue that awareness is a first and necessary step leading to trial and repeat purchase (Holloway, 2002; Fesenmaier, Vogt and Steward, 1993; Lumsdon, 1997; Weaver and Oppermann, 2000).

When a destination wants to be successful, it first has to achieve tourist awareness and positive image (Konecnik and Gartner, 2007). To have awareness about a destination means that people have an image of the destination (Gartner, 1993; Milman and Pizam, 1995). According to Milman and Pizam (1995) that awareness may at best result in curiosity to learn more about the destination and unless the image is positive, visitation will not occur (unless traveling to the destination cannot be avoided).

3.2.4 Destination image studies

Destination image can be investigated at three different stages; pre-visit, during visit and post-visit. Most studies investigate the image people have before they visit a destination (pre-visit) (Baloglu and McCleary, 1999a; Echtner and Ritchie, 1993; Gartner, 1989; Goodrich, 1978; Hunt, 1975; Leisen, 2001; MacKay and Fesenmaier, 2000; Rezende-Parker, Morrison and Ismail, 2003; Stepchenkova and Morrison, 2008; Sönmez and Sirakaya, 2002; Walmsley and Young, 1998). Fewer studies have examined the image people have when they are at the destination (Beerli and Martín, 2004; Haahti and Yavas, 1983; Ross, 1993; Vogt and Andereck, 2003). The image people have of destinations after their visit has been examined by questioning travelers when they are at the international airport waiting to fly home (Calantone, Benedetto, Hakam and Bojanic, 1989; Kozak, 2001; Rittichainuwat, Qu and Brown, 2001). According to Tasci and Gartner (2007), more studies on during and post-visit are needed. The results of Echtner and Ritchie (1993) and Rezende-Parker, Morrison and Ismail (2003) suggest that tourists that have not visited a destination have a fragmented and unclear image of it. The results of Vogt and Andereck (2003) suggest that destination perceptions change during the course of a vacation because tourists learn about a destination and become more experienced. O'Leary and Deegan (2005) measured the difference between pre-visit and post-visit image of Ireland visitors from France had and their results suggest

that the experience French tourist gained in Ireland changed their image of the destination from one that was more based on stereotypical image to a more accurate image based on real facts.

The difference between the image held by people who have visited a particular destination and that held by people who have never visited the destination has also been investigated (Baloglu and McCleary, 1999b; Fakeye and Crompton, 1991; Milman and Pizam, 1995). The results of all of these studies suggest that visiting a destination changed the image people had about the destination. When examining the image of central Florida, Milman and Pizam (1995) found out that people who had previously visited the destination had a more positive image of it and were more likely to revisit it than people who had never visited central Florida.

The image of destinations has been measured both with qualitative and quantitative methods. Until the 1990s, few studies were done with qualitative methods (Pike, 2002). Studies measuring only the cognitive component of the destination image use solely quantitative methods with structured lists of the attributes during the main data collection stage. Studies measuring affective and cognitive components use both quantitative and qualitative methods (Tasci, Gartner and Cavusgil, 2007). Echtner and Ritchie (1991) refer to a questionnaire, which measures destination image attributes and uses statistical techniques to get the image results, as a structured method. They refer to methods where respondents are allowed to freely describe their views and impressions about the destination as unstructured. The difference between these methods is that the structured method only measures the attribute side of image while the unstructured methods measure the holistic side of image. In these authors' view, using open-ended questions, although a quantitative method, is categorized as an unstructured method along with focus groups, content analysis and repertory grid analysis. The dominance of structured techniques in image

research has led to the use of verbal over visual techniques in research (Jenkins, 1999).

3.2.5 Perceptual mapping

Perceptual mapping techniques were first developed to map psychological measurements of how people perceive objects. Because both perception and preferences influence customer behavior, multidimensional scaling (MDS) methods were adapted by marketers to study consumers' perceptions and preferences for a set of entities on a map or graph. These entities can be brands, company logos, department stores, presidential candidates (Lilien, Rangaswamy and De Bruyn, 2007), organizations or websites (Gudlaugsson, 2003). Preference maps enable decision makers to summarize and visualize key elements of the market structure for their products or service and can be used to support new product decisions, to view the position of products, for competition analysis and image and reputation studies (Lilien and Rangaswamy, 2003). Multidimensional scaling can be calculated with a number of computer statistical techniques programs. Popular MDS program are INDSCAL, PREFMAP, MDPREF and TOSCA (Goodrich, 1978). They reduce data to make them more manageable and meaningful and they also show graphically the underlying structure or dimensions of empirically obtained data as perceptual and/or preference data (Gartner, 1989; Goodrich, 1978).

MDPREF is an attribute based statistical program that extracts information about underlying constructs from a data matrix consisting of customer perception on attributes with factor analysis. The data put into the program are averages across customers and is thus an average perception. Factor analysis attempts to condense the data into a smaller set of underlying constructs with minimal loss of the information contained in the data matrix. Each factor explains a proportion of the total variance. A good factor analysis solution explains a significant proportion of the variance associated with each

original attribute. If the variance of any attribute is poorly recovered by the retained factors, going to a higher dimension is indicated, although two or three dimensional maps are the most common (Lilien, Rangaswamy and De Bruyn, 2007).

The distance between offerings on a map indicates their perceived similarities. Thus offerings that are closer together are perceived as similar (maybe competitors) and offerings that are farther apart are perceived as different. The length of an attribute line indicates the variance in that attribute explained by the perceptual map. So, the longer the line, the greater the importance of that attribute in differentiating among offerings in the market. To position an offering on any attribute on a map, an imaginary perpendicular line is drawn from the offering to the attribute. The farther an offering is from the origin (the middle) along the direction of that attribute means that the rating for that offering on the attribute is higher. The attribute lines on a perceptual map indicate the direction in which an attribute increases while moving away from the origin (middle) along that line. These attribute lines can also be interpreted in an opposite direction. The map also shows the relationship between attributes. The smaller the angle between any two attribute vectors means that they are more correlated with each other. The axes (X and Y) of a perceptual map are the dimensions (composite attributes) along which customers tend to discriminate an offering. So attributes that are aligned close to each axis provide clues to the meaning of that axis. The variance explained by each axis indicates the relative importance of that axis for explaining customer perceptions (Lilien and Rangaswamy, 2003).

4 THE IMAGE OF NORTH ATLANTIC ISLANDS AS TOURIST DESTINATIONS

This image study was conducted in Iceland during the months of June and July 2008. Preparation for the study included review of earlier research and questionnaires design. The data collection took approximately one month, followed by statistical analysis period.

4.1 RESEARCH METHOD

The research used two measurement scales, one structured and one unstructured. The unstructured scale was used to find the holistic image of Iceland. The structured measurement scale was used to find the image of Iceland and the comparison countries according to attributes. The unstructured scale (open ended questions) was used so participants could freely answer what their image of Iceland as a tourist destination was. For this step, a questionnaire was designed based on three open ended questions made by Echtner and Ritchie (1993) along with three additional questions about participants' gender and travel behavior. The three open ended questions were:

1. What images or characteristics come to mind when you think of Iceland as a tourist destination?
2. How would you describe the atmosphere or mood that you would expect to experience while visiting Iceland?
3. Please list any distinctive or unique tourist attractions that you can think of in Iceland.

Question one is used to find functional holistic image, question two to find psychological holistic image and question three to find unique image of Iceland as a destination. The answers from the unstructured survey were coded according to qualitative methodology.

The first version of the structured questionnaire consisted of 27 questions, 17 attribute questions and 10 questions that measured participants demographic background, lifestyle, travel habit in Iceland, behavioral variables and satisfaction with their stay in Iceland. The attributes for the questionnaire were acquired from image research made by Echtner and Ritchie (1991,1993), Haahti and Yavas (1983) and Jenkins (1999) and by studying the results from the unstructured survey. The attributes that were included were:

- 1) Accessible
- 2) Scenic and natural beauty
- 3) Peaceful and quiet
- 4) Good cultural experience
- 5) Good tourist facilities
- 6) Friendly and hospitable
- 7) Good value for money
- 8) Unique and different
- 9) Concerned for the environment
- 10) Safe place to visit
- 11) Good entertainment and nightlife
- 12) Good food and drink
- 13) Opportunity for adventure
- 14) Modern
- 15) Convenient and comfortable
- 16) Wild
- 17) Numerous cultural and historical attractions

A nine point scale was used in the attribute questions, where choice of answers ranged from description fits badly (1), to description fits well (9). For this first version a pre-test was made. Its main aim was to reduce the number of attributes

by finding out if some attributes had the same meaning in peoples' minds. After the pre-test had been made it was decided to drop out five attributes.

The final version of the structured questionnaire consisted of 22 questions. The first part of the questionnaire asked about peoples' image of Iceland and the comparison countries for twelve attributes. The attributes were:

- 1) Scenic and natural beauty
- 2) Peaceful and quiet
- 3) Good tourist facilities
- 4) Friendly and hospitable
- 5) Good food and drink
- 6) Safe place to visit
- 7) Good entertainment and nightlife
- 8) Unique and different
- 9) Opportunity for adventure
- 10) Modern
- 11) Wild
- 12) Good cultural experience

A nine point scale was used in the attribute questions part, where choice of answers ranged from description fits badly (1) to description fits well (9). Questions 13-15 asked about participants' demographic background and questions 16-19 about their travel habit in Iceland. Questions 20 and 21 measured destination loyalty (behavioral variables) and question 22 asked about participants' satisfaction with their trip to Iceland.

4.2 SURVEY IMPLEMENTATION

The unstructured questionnaire was administered at a Tourist Information Center, which is operated by the city of Reykjavik, in Adalstraeti 2 (Visit

Reykjavik, 2008), 5th of June 2008. A pre-test of the structured questionnaire was administered at two tourist destinations, at Geysir on the 9th of June and at Gullfoss, on the 10th of June. The final version of the structured questionnaire was administered at three sites at the period from 19th of June til 1st of July 2008. The first site was the main bus terminal in Reykjavik, BSI. From there buses go, for example, to Keflavik International Airport and to a number of popular tourist destination in Iceland (BSI, 2008). The second site was Gullfoss, which is a waterfall and one of the most popular tourist destinations in Iceland, situated in the south of Iceland (Wikipedia, 2008a). The third site was Blaa Lonid, which is a geothermal lagoon in the Reykjanes peninsula in the southwest of Iceland. The lagoon is also one of the most visited attractions in Iceland (Blue Lagoon, 2008; Wikipedia, 2008b).

The unstructured survey, the pre-test for the structured survey and the final version of the structured survey were all self administered surveys where participants completed the survey on their own (Burns and Bush, 2006). The survey administrator stood at a predetermined spot in all of the survey sites and asked tourists that walked by if they had an interest to participate in a survey. Those tourists who wanted to participate were then handed the survey on paper and the administrator explained the main topic. After that, the participants filled out the survey at their own pace and handed the survey back to the administrator when completed.

A convenience sample was used to obtain participants for the surveys. That is, for the unstructured survey, for the pre-test and for the final version of the structured survey. Convenience samples are drawn at the convenience of the administrator. Only those people that are present at the time of a survey's administration have a chance of being part of the sample (Burns and Bush, 2006).

A total of 25 tourists participated in the unstructured survey, 15 males (60%) and 10 females (40%). 17 tourists participated in the pre-test of the

structured survey, 8 males (47%) and 9 females (53%). 394 participants answered the final version of the structured survey, 125 in BSI, 165 at Gullfoss and 104 in Blaa Lonid. 60 lists were deemed unusable, either because too few questions were answered or the participants were from the comparison countries. The final sample consisted of 334 participants, 185 males (55.4%) and 149 females (44.6%).

4.3 RESULTS FOR THE UNSTRUCTURED SURVEY

The image results from the first question were coded and three functional holistic image groups emerged. The biggest category was named nature and scenery (geysers, wild nature, scenery, volcano/lava, waterfalls, mountains, glaciers, nature, water, clean, cold, skies). The second biggest category was named activities (fishing, thermal pools, adventure, horse riding). The third group was named culture and people (woolen sweaters, interesting history, Björk, art, innovation, low population, friendly, nice, modern, environmental, unique, quiet). The results from question number two were coded and a number of atmosphere/mood image for Iceland emerged. The number in the brackets shows how often the adjective was mentioned by the participants: Friendly (11), calm (5), relaxed (4), security/peace (3), alone (3), free/freedom (3), different (2), surprising (2), quiet (2). The image results from the third question were also coded and a number of unique places emerged, along with other places that cannot be considered unique to Iceland. The number in the brackets shows how often the place was mentioned by the participants. First the places that are unique for Iceland: Geysir (15), Blue Lagoon (13), Gullfoss/waterfalls (9) and the Golden circle (2). Next are places not unique to Iceland but are nevertheless important part of Iceland as a destination: Glaciers (5), whales (4), volcanos (3), puffins (2), mountains (2) and museums (2).

4.4 RESULTS FOR THE STRUCTURED SURVEY

Figure 2 shows a two dimensional perceptual map of the image actual visitors in Iceland during summer months have of Iceland and the comparison countries as tourist destinations.

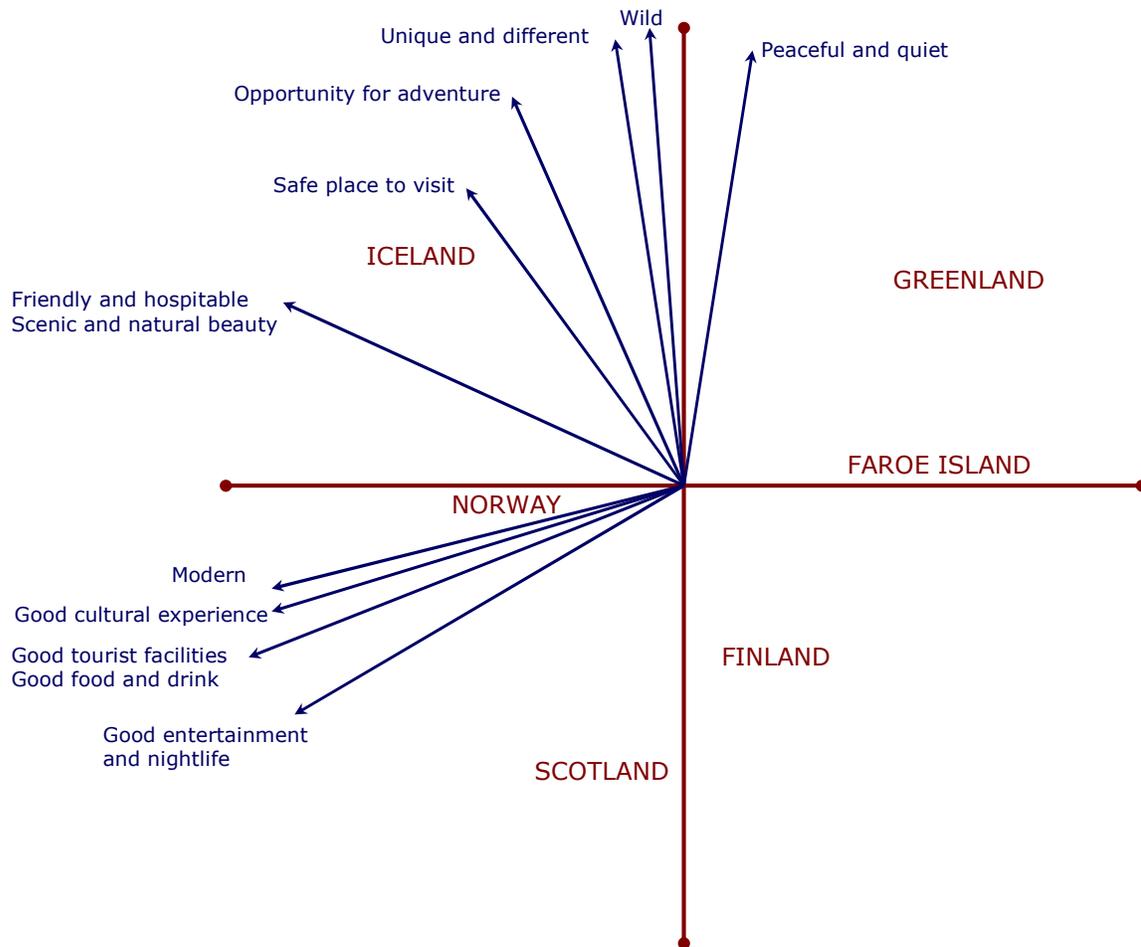


Figure 2. Perceptual map for all participants

The figure shows the results for the whole sample. Iceland can be seen in the upper left corner of the perceptual map. Iceland is far from the middle, which shows that Iceland has a strong and clear image in people's minds. People connect Iceland most to the attribute "safe place to visit". Iceland also has strong connections to the attributes "friendly and hospitable", "scenic and natural beauty" and "opportunity for adventure." Relatively close by is the

attribute “unique and different”. According to these results, Norway is Iceland’s closest competitor, since it is nearest to Iceland of all the countries in the figure.

Norway is situated relatively near the middle, on the left side of the vertical axis of the perceptual map. Since it is nearer to the middle than Iceland, people don’t have as clear image of Norway as they have of Iceland. Norway is considered “modern” and to offer a “good cultural experience” as a tourist destination. It is also connected to the attributes “good tourist facilities” and “good food and drink”, which seem to be the same attributes according to these results. Relatively close by is also the attribute “good entertainment and nightlife”.

Scotland is situated far from the middle which indicates that people have a clear image of Scotland in their minds. Scotland is connected strongest to the attribute “good entertainment and nightlife” although the country is positioned some distance from that attribute. By looking in an opposite direction from Scotland, the figure shows the attribute “peaceful and quiet”. This supports the position of Scotland as a country of entertainment and nightlife, since entertainment and nightlife seldom goes hand in hand with peace and quiet. Scotland is also positioned slightly in the opposite direction of the attributes “wild” and “unique and different” which might indicate that Scotland is not wild nor unique and different in the minds of people travelling to Iceland.

Finland is situated near the middle of the vertical axis. According to these results Finland and Scotland have a similar position in people’s minds and can therefore be considered competitors. Finland is not connected with any attribute. But since Finland has a position in the opposite direction of Iceland, it can be interpreted that Finland and Iceland are quite different destinations in the minds of people, since they do not share similar attributes. These results indicate that Finland is not wild, not unique and different, does not offer an opportunity for an adventure and is not a safe place to visit, at least not in comparison to the

other destinations being studied. The Faroe Islands are situated in the middle of the horizontal axis of the perceptual map.

The Faroe Islands do not connect to any attribute in the minds of people. The Faroe Islands are positioned in the opposite direction of Norway. In a similar way as the connection between Iceland and Finland, this can be interpreted in such a way that the image people have of the Faroe Islands is of a destination that is not modern, doesn't offer a good cultural experience, good tourist facilities nor good food and drink. Also, people don't associate the Faroe Islands with good entertainment and nightlife.

Greenland is situated in the middle of the upper right quadrant of the figure. This indicates that Greenland has a clear image in the minds of people. The country is positioned nearest to the attribute "peaceful and quiet" and in the opposite direction of the attribute "good entertainment and nightlife". Similar to the Faroe Islands, people perceive Greenland as not offering the attributes "good tourist facilities", "good food and drink" nor "good cultural experience". People also see Greenland as not being a modern destination.

5 DISCUSSIONS

For the goal of finding out actual visitors' image of Iceland and the comparison countries as tourist destinations, three research questions were asked.

- What is the image of Iceland in the minds of foreign travelers?
- What is Iceland's leading competitor among the countries that it was compared to?
- Is it possible to position Iceland, the Faroe Islands, and Greenland as one travel destination?

Actual tourists travelling in Iceland were asked to participate in an unstructured survey that measured the holistic image of Iceland and also in a structured survey that asked about their image of Iceland in comparison to Norway, Scotland, the Faroe Islands, Finland and Greenland, for twelve attributes.

Results from the unstructured survey indicate that travellers have the strongest holistic image of Iceland as a scenic nature destination. They also have an image, although to a lesser extent, of a destination where a number of activities are offered and that the country possesses interesting people and culture. Furthermore, the country is believed to be friendly, calm, relaxed and secure and offers people freedom and the chance of being alone. Results indicate that Iceland has something unique to offer and Geysir, the Blue Lagoon and Gullfoss were mentioned in this respect, along with non-differentiated offerings such as whales, puffins, volcanoes and museums. Results from the structured survey indicate that the image tourists in general have of Iceland as a tourist destination is of a country that:

- is a safe place to visit
- offers opportunity for adventure
- is friendly and hospitable
- possesses scenic and natural beauty.

Results also indicate that people have a strong and clear image of Iceland since the country was positioned far from the middle of the perceptual map.

When the results of the perceptual maps are examined they indicate strongly that Norway is Iceland's main competitor for tourists. Tourists see Iceland and Norway as similar destinations. In comparison, Iceland is perceived to be safer and more adventurous and Norway is perceived to offer better facilities for tourists, better food and drink, better entertainment and nightlife and to offer a better cultural experience. If Iceland wants to position itself as a destination offering better facilities, it first has to build the facilities up to the standards that tourists who Iceland has chosen to serve hold.

According to the results, Iceland, the Faroe Islands and Greenland seem to have a different image in the minds of tourists and they seem to be offering a different product. Out of these two comparison countries, Iceland and Greenland seem to have more in common than Iceland and the Faroe Islands. Although these countries can hardly be positioned together, this should not dissuade them from working together to plan the area as a tourist region or cooperating together in their marketing and promotion activities. It could be in the interest of these countries to work together to try to get tourists to pick the area for travelling to instead of, for example, the area (destination) that comprises Norway, Sweden, Finland and Denmark. But if Iceland and Greenland were to position themselves together as one product (destination), they could use the attributes "peaceful and quiet", "wild" and "unique and different".

5.1 LIMITATIONS AND FURTHER RESEARCH

The unstructured and structured surveys were administered to a convenience sample, so their findings can't be generalized onto the population. The results should however give a good idea about the image tourists have of Iceland and the comparison countries as tourist destinations. The weather at the survey sites

was always good, when the surveys were being conducted. That could have influenced participants' mood and their answers. The tourists asked about the image of Iceland are already in the country, which could influence their perception of it in comparison to other countries. Maybe some other result would have emerged if the survey had been administered to tourists in Norway for example. Also, because the tourists have gone through the process of placing Iceland in their "opportunity set" and put it in their "decision set", they have decided that Iceland is a product worth buying, so to speak. This could have influenced the image tourists have of Iceland. In the structured survey, no attempt was made to find out if the attributes used were the attributes that tourists to Iceland find important parts of their image of destinations. It is possible that some other attributes should have been used in the survey. It is possible that people didn't know the comparison destinations well enough to make a comparison to Iceland and this could maybe have skewed the results. Additionally, it is possible that some other destinations should have been chosen as comparison destinations. In this survey, only geographically close destinations were selected. It is possible that more distant destinations like New Zealand or Japan could be alternative destinations when people consider between travelling to Iceland or some other destination.

The unstructured survey had few participants, only 25, and the coding is the interpretation of one individual. Maybe some other groups would have emerged if someone else had coded the data. Despite these limitations, the results should give some ideas about the holistic image tourists may have about Iceland as a tourist destination.

The image of Iceland as a tourist destination should be examined at three levels. It should be investigated at pre-travel level, during visit level and post visit level. To do this and see the difference in image, it is important to use the same attributes. First, Iceland's target markets have to be defined. Different nations like Germany, England and the United States and age groups within or

across nations can be segments that are chosen as the target markets. Different lifestyle segments, like adventure seekers or nature lovers, could also be chosen as target market. Secondly, the preferred attributes have to be found. These attributes can be different depending on the target market being studied. Image is not measured once and for all. Image changes, so image studies have to be repeated over a long period of time. For the during visit level, further research could concentrate even more on subgroups of tourist, such as samples of Germans or Americans only, or concentrate on a specific age group like young travelers, for example. It could also be interesting to examine the difference in image based on tourists' traveling style. A popular research topic in Australia is the image of backpackers. It could be interesting to concentrate on a subgroup like that and compare it to some other group. For example, do bicyclists have a different image of Iceland compared to that of people who are here on a package tour and travel by bus? The image of during visit tourist should also be investigated for different seasons. Maybe winter travelers have a different image of Iceland than the image summer travelers have.

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