

# VISITORS' MOTIVATIONS, SATISFACTION AND LOYALTY TOWARDS CASTRO MARIM MEDIEVAL FAIR

*Iolanda Márcia Barbeitos*  
*Patrícia Oom do Valle*  
*Manuela Guerreiro*  
*Júlio Mendes*

## ABSTRACT

The study tests the relationship between motivation, satisfaction, and loyalty using a structural equation model. Data have been collected through a questionnaire applied to visitors attending a local festival, Castro Marim Medieval Fair, which hosts every year between 45.000 and 60.000 visitors. Results show that satisfaction towards controlled variables of the event within the venue's boundaries, such as animation, gastronomy, and handicraft, influences visitors' overall satisfaction towards the event. On the other hand, they also reveal a direct relationship between overall satisfaction and loyalty. The study contributes to a better understanding of visitors' behaviour and provides useful guidance to festival ideation and design.

Keywords: Motivation, Satisfaction, Loyalty, Festival, Structural Equation Modelling

JEL Classification: M30

## 1. INTRODUCTION

Events are drivers of tourism travel, and for many tourists they are the main motivation for visiting a destination (Getz, 2008; Guerreiro *et al.*, 2011a; Guerreiro *et al.*, 2013; Valle *et al.*, 2012). The new tourist is more informed, selective and demanding, looking for new places offering tourist products that include cultural attractions and events (Valle *et al.*, 2011). Due to such events, cities have the opportunity to provide memorable experiences that add value to the brand and to their image (Guerreiro *et al.*, 2011b; Hall, 1989).

Felsenstein and Fleischer (2003) argue that festivals in particular have been used by cities as tourist attractions to achieve strategic objectives, namely, (1) generation of economic dynamics (Lee *et al.*, 2008); (2) reduction of tourism seasonality, (Felsenstein and Fleischer, 2003), and (3) promotion of urban renovation (Carlsen and Millan, 2002; Richards and Wilson, 2004). It has been argued that events, if successful, contribute to the competitiveness of a destination, enhancing its notoriety (Ritchie and Crouch, 2003), fomenting community cohesion (Rao, 2001; Mendes *et al.*, 2011), and strengthening place identity and attachment (De Bres and Davis, 2001). Festivals, as unique showcases of cultural heritage and traditions, are the subject matter of this research (McKercher *et al.*, 2006). As Guerreiro *et al.*, (2011b) have found, a Medieval Fair event produces a feeling of satisfaction to most visitors and usually exceeds visitors' initial expectations. In that study, the authors verified that visitors

loyalty is very high as they express clear intentions of recommending the event to their friends and family and to return in the future.

Castro Marim is a Portuguese town and municipality located in the Faro District in the Algarve region, bordered in the north and west by Alcoutim, on the east by Spain, and on the south by Vila Real de Santo António and the Atlantic Ocean. It covers an area of 300 km<sup>2</sup> and has a resident population of 6,747. For the past fifteen years, the town has hosted a Medieval Fair in August. The event attracts performing artists (musicians, archers, sword specialists, dancers and crafts people) from all over the world.

In this study, the profile of visitors attending the Castro Marim Medieval Fair during summer 2008 is analysed through socio-demographic variables and forms of participation. The study further identifies visitors' motivations for attending the event and the attributes that most contribute to high levels of satisfaction. It concludes with a proposed model to predict relationships between visitors' motivation, satisfaction, and loyalty towards the event.

Section 2 outlines the theoretical model and related hypotheses, specifying a structural equation model (SEM) with latent variables for an empirical test of theoretical assumptions. Section 3 presents data collected on a sample of visitors to Castro Marim Medieval Fair in Algarve, Portugal and the description of data analysis measures and procedures. Section 4 presents SEM estimates on the sample. Finally, section 5 presents a discussion of the main results and their implications.

## **2. RESEARCH BACKGROUND**

### **2.1 Motivation**

Motivation occurs when the individual performs an activity for the satisfaction of some kind of need (Goosens, 2000). Need awareness drives the individual to perform an action in order to fulfil it, therefore taking him/her to a specific search behaviour related to products and services available and the realization of their positive influence on the satisfaction of the need. Only then will (s)he feel motivated to make a purchase. Goosens (2000) concurs with Mill and Morrisson (1995), saying that the role of marketing is to generate product and service awareness, but also to suggest objectives that may contribute to the satisfaction of needs. Research on event motivation is crucial to the development of products able to fulfil visitors' desires and, at the same time, assure a competitive offer (Guerreiro *et al.*, 2011a). Understanding motivations is also important to understand the visitors' decision-making process and to monitor satisfaction (Crompton and McKay, 1997).

Crompton and McKay (1997) identify three main reasons for the study of festival visitors' motivation. Firstly, the understanding of motivation is essential to the development of better products, i.e. festivals that may maintain or intensify visitors' motivations. Secondly, as consequence of the direct relationship between motivation and satisfaction and the importance of monitoring the latter, it is necessary to know visitors' needs. Lastly, motivation identification and hierarchization will aid in the clarification of the visitors' buying decision-making process, which, in turn, will contribute to marketing effectiveness. The authors recommend six areas to include in a questionnaire on festival motivation, namely cultural exploration, novelty/regression, recovery equilibrium (rest and relaxation/escape), known group socialization, external interaction/socialization, and family togetherness.

Lee *et al.* (2004) reviewed published research between 1993 and 2000 on festival visitor motivations. They conclude that there are core motivations, regardless of theme and event location, transversal to different nationalities. They also assert that, taking into consideration festival specificities, motivational antecedents vary. They found core motivations of visitors

for attending the 2002 World Culture Expo (cultural exploration, family togetherness, novelty, escape, event attractions, and socialization), and suggested the analysis of the relationship between visitors' motivation and behavioural intentions through structural equation modelling.

Li and Petrick (2006) attempted a similar approach reviewing literature on this topic, proposing a three-category classification: earlier discoveries, cross-culture testing, and exploration of generalizability. They too conclude that the decision to attend a festival is the effect of multiple motivations, thus recommending future research on the topic in order to develop theory and explanatory models. Guerreiro *et al.*, (2011b) also studied the motivation factors of visitors at a medieval fair and they found that attendees were strongly motivated by five groups of factors: socialization, novelty, intellectual enrichment, rest and relaxation, city identity.

On the other hand, as suggested, it is important to analyse and discuss the relationship between motivation and other latent variables. Lee and Hsu (2011) claim that there are few studies attempting the analysis of the relation between tourists' motivations and other latent variables, such as satisfaction.

Based on this review, the first hypothesis is presented:

**H1:** Visitors' motivation positively influences overall satisfaction with the festival experience. Hypothesis H1 will be divided into sub-hypotheses depending on the types of motivations.

## 2.2 Satisfaction

As a positive emotional response to a product or service, satisfaction equates to a favourable evaluation of a consumption experience. It is also an important indicator of tourist experiences while participating in tourism activities (Lee and Hsu, 2011). Recent studies on satisfaction adopt a holistic definition of the construct (Chi and Qu, 2008). As reported by Anderson *et al.* (1994: 54), overall satisfaction is 'the evaluation based on the total purchase or the overall consumption experience of a good or service over time'. The adoption of a unique global measurement to evaluate tourist satisfaction towards festivals is also used by Yoon *et al.* (2010) and, in the context of destinations, by Chi and Qu (2008) and Assaker *et al.* (2011).

Spreng *et al.* (1996) suggest that there are two direct antecedents of overall satisfaction, i.e. satisfaction with product or service attributes and satisfaction with information collected and used to make the purchase. Focusing on destinations, Chi and Qu (2008) studied satisfaction with the destination's attributes as an antecedent of overall satisfaction with tourism experience at the destination, demonstrating that the former directly influences the latter. Satisfaction with attributes is a subjective evaluation which depends on observation of attribute performance (Spreng *et al.*, 1996). With respect to festivals, the concept of *festivalscape* encompasses these attributes. Dimensions of *festivalscape* found by Lee *et al.* (2008) include the programme content, staff, space and venue, food and related services, facilities, memorabilia, and information availability. The *festivalscape* positively influences satisfaction, as the authors have found.

In recent decades, marketing and tourism research has demonstrated the positive influence of satisfaction on consumers' future behaviour. High levels of satisfaction usually mean a higher probability of repeating the purchase, and recommending the product or service to friends and relatives (Anderson *et al.*, 1994; Spreng *et al.*, 1996; Kozak, 2001; Yoon and Uysal, 2005; Lee *et al.*, 2007; Chi and Qu, 2008).

Based on this review the second hypothesis is presented:

**H2:** Satisfaction with attributes positively influences overall satisfaction with the festival experience.

Hypothesis H2 will be divided into sub-hypotheses depending on the types of attributes.

### 2.3 Loyalty

Consumer loyalty is a main goal to all service providers, because a high capacity to retain customers usually means long-term profitability (Yoon *et al.*, 2010). The relationship between satisfaction and loyalty has been a topic of research in tourism studies, and findings have been consensual in demonstrating the positive effect of satisfaction on loyalty (Yoon and Uysalb, 2005; Lee *et al.*, 2007; Chi and Qu, 2008; Presbensen *et al.*, 2010; Zabkar *et al.*, 2010; Assaker *et al.*, 2011; Valle *et al.*, 2011). In the case of festivals, loyalty has been measured through recommendation, repeating visit, positive word of mouth, tolerance towards premium price, willingness to pay higher prices, and analysis of alternatives (Lee *et al.*, 2008; Bayrak, 2011; Lee and Hsu, 2011).

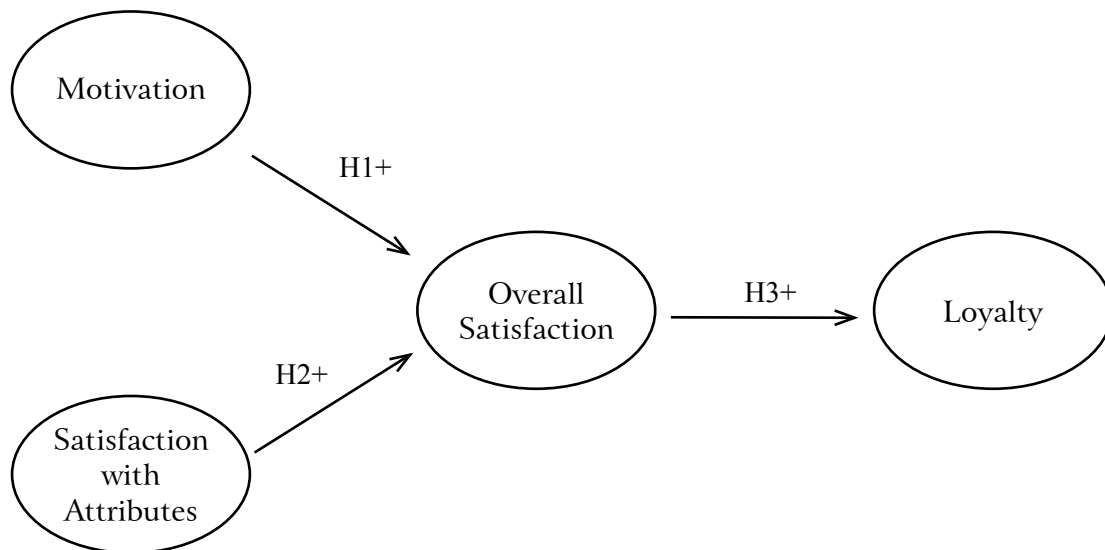
Based on this review the third hypothesis is formulated:

**H3:** Overall satisfaction with the festival positively influences loyalty.

### 2.4 Conceptual Model

The model evaluates the structural causal relationships between motivation, satisfaction, and loyalty. The model's hypotheses are shown in Figure 1 below and also the expected signs of the relationship between the constructs.

Figure 1: Conceptual Model and Research Hypotheses



Source: Authors

## 3. METHODOLOGY

### 3.1. Population and Sample

Castro Marim Medieval Fair is an annual event, taking place every last week of August in Castro Marim in the Algarve (Portugal). The event is a local community festival, and the town's Castle, old streets and squares are the main stages. It is considered an important tourist attraction in the region. For four days, a Middle Ages atmosphere is recreated through a cultural, gastronomic, and recreational programme that every year hosts between 45,000 and 60,000 visitors (Expresso, 2011). Entertainment includes music, drama, and

pantomime performances with artists from Europe, Morocco, and Egypt. Local population and visitors dress up in costumes of different social classes from the Middle Ages such as nobility, church, and peasantry.

The target population for this study are visitors to this event. The sample consists of 404 valid observations and is statistically representative of the target population, with a margin of error of around 5% and a 95% level of confidence. Data for this study have been collected through a structured questionnaire. Structured questionnaires are adequate for collecting a large amount of data in a short period of time and are of practical use for analysis (Hill and Hill, 2005). The instrument's validity has been assessed through the application of a pre-test using a sample of 10 individuals. Visitors exiting the 11<sup>th</sup> edition of the festival in 2008 were asked to complete questionnaires in Portuguese or English by two graduate students.

### **3.2. Research Variables**

To study motivation, an adapted measurement scale by Crompton and McKay (1997) has been used to fit the specific event and population under analysis. The construct has been measured using 18 items and a 5-point Likert scale (1 = completely disagree, 5 = completely agree). Similar procedures have been made to evaluate attribute satisfaction. The measurement scale consists of twelve indicators, which is also based on a review of the literature and takes into consideration the event and population. The question 'Indicate the level of satisfaction with this Medieval Fair', a 5-point Likert scale (1 = completely unsatisfied, 5 = very satisfied) is intended to assess visitors' overall satisfaction with the Castro Marim Medieval Fair. Two indicators assessed loyalty towards the event: repeating visit and intention to recommend the event to friends and relatives. The questions 'Do you plan to revisit Medieval Days in Castro Marim Castle?' and 'Will you recommend this event to your friends and relatives?' have been answered with No, Maybe, and Yes. An independent section of the questionnaire allowed the collection of information on participation, expectation and socio-demographic data.

### **3.3. Data Analysis Procedures**

In the first stage of the analysis, data was carefully examined in order to detect missing values and outliers, as well as to check variables distribution. SPSS version 19 was used with the purpose of assisting in the analysis of data related to socio-demographics and participation in the event, and as such in the building of visitor profiles to the Castro Marim Medieval Fair.

Then, a factor analysis was conducted to reduce the number of variables associated to motivation and attribute satisfaction. The validation of the factor analysis was accomplished with the Kaiser-Meyer-Olkin (KMO) measure and Bartlett's sphericity test. All procedures were carried out with SPSS 19. The criteria to form the factors included the eigenvalues analysis. Eigenvalues with characteristic values higher than 1 have been selected. Factor loadings were also evaluated. The items considered in the identification of factors showed loadings equal to or higher than 0.40. The principal components method with varimax rotation was chosen as the extraction method. This orthogonal rotation method minimizes the number of variables that have high loadings on each factor. For this reason, this method simplifies the interpretation of the factors and is the most commonly used.

The model was estimated and validated using the variance based technique Partial Least Square Path Modelling (PLS-PM), adequate to the modelling of structural equations (SEM). PLS-PM is used to study and measure the significance between causal relationships among a group of latent variables. Its objective is the maximization of the explained variance in endogenous constructs and the predictive power of exogenous variables (Hair *et al.*, 2011). The PLS-PM technique has the advantage of not being too demanding in terms of original

data distribution and obtains good results with relatively small samples (Hair *et al.*, 2012). Although the sample size in this study is large enough to use a covariance-based approach (Lisrel model), data distribution was very asymmetric. Furthermore, PLS-PM is adequate to prediction and theory building, which are sufficient motives to choose it as the most suitable tool to test the model. SmartPLS 2.0 software was used to assist in the process (Ringle *et al.*, 2005).

Both the measurement model (outer model) and the structural model (inner model) are analysed. The evaluation of the reflective measurement model includes the analysis of each indicator's reliability, composite reliability, convergent validity of indicators associated to latent variables, and discriminant validity. Single indicator reliability is measured through each loading obtained, and the minimum score required to accept the indicator's reliability is 0.50 (Hulland, 1999). The assessment of indicator suitability to describe a latent variable is carried out through the analysis of composite reliability. The reference value of acceptability is 0.70, as recommended by Hair *et al.* (2012). Cronbach Alpha's Coefficient complements the analysis (DeVellis, 2003; Gefen and Starub, 2005), though Hair *et al.* (2012) draw attention to limitations with this measure. Convergent validity has been evaluated through the average variance extracted (AVE). AVE scores are expected to be higher than 0.50 (Hair *et al.*, 2011). This analysis is complemented with the verification of the indicators' loading significance.

Discriminant validity expresses the extent to which a latent variable's indicators differ from remaining latent variables' indicators included in the model. A common criterion used in the context of PLS to assess discriminant validity is that which requires a certain latent variable to share more variance with related indicators than with those associated with other latent variables of the model (Hulland, 1999). With this aim in mind, the cross-loadings were computed and observed. The structural model analysis consisted of the assessment of the coefficient of determination,  $R^2$ , which represents the amount of explained variance of each latent endogenous variable, by the model.  $R^2$  values of 0.75, 0.50 or 0.25 can be described as substantial, moderate and weak, respectively (Hair *et al.*, 2011). The model's prediction capability has been analysed through predictive relevance Stone-Geiser Index,  $Q^2$  (Stone, 1974; Geisser, 1975).  $Q^2$  scores have been obtained with the blindfolding technique applied to the endogenous latent variables. In addition, the structural model's path coefficients, signals, magnitudes, and statistical significance were analysed. Coefficients and respective statistical significance were estimated via the bootstrapping technique (Hair *et al.*, 2011).

## **4.RESULTS**

### **4.1. Sample Characterization**

Table 1 summarizes the sample's characteristics. The majority of respondents are women (55.8%) and the most represented age group is 25-46 (50.8%), with a mean age of 38 (sd= 14). 56.1% are married, and 50.1% of the sample have basic and secondary education; 64% live outside the Algarve region, 65.7% reside in Portugal and 26.4% in Spain. Professionally, the respondents are mostly represented in the categories 'Higher grade professional and managerial occupations', 'Lower supervisory and lower technician occupations' and 'Lower services, sales, and clerical occupations' (53.6%).

**Table 1: Sample socio-demographic characterization**

Variable	Sample Structure (N= 404)
<b>Gender</b>	
Female	55.8%
Male	44.2%
<b>Age</b>	
25 or less	22.1%
26 – 45	50.8%
46 or greater	27.1%
Mean	37.5
Standard Deviation	13.8
<b>Marital Status</b>	
Single	37.6%
Married/Common law partners	56.1%
Divorced	5.0%
Widow(er)	1.3%
<b>Education</b>	
Primary School	11.2%
Secondary Education	38.9%
Higher Education	49.9%
<b>Residence in Algarve</b>	
Yes	36.0%
No	64.0%
<b>Country of Origin</b>	
Portugal	65.7%
Spain	26.4%
UK	5.0%
Other	2.9%
<b>Professional Occupation</b>	
Higher grade professional and managerial occupations	21.6%
Higher grade technician and supervisory occupations, small employer and self-employed occupations	14.4%
Lower services, sales, and clerical occupations	17.6%
Lower supervisory and lower technician occupations	15.3%
Lower technical occupations	5.2%
Non workers	10.4%
Students	12.4%
Never worked	3.1%

Source: Authors

Table 2 shows the profile of visitors' participation in the event, and most relevant information is that the majority (51.7%) has been to the Medieval Fair at least once before. 52.8% of respondents are familiar with similar events and 94.8% of them participate with friends and relatives.

**Table 2: Participation in the event**

Question	% Response (N = 404)
Is it your first time in the event?	Yes: 48.3% - No: 51.7%
Do you usually participate in this kind of events?	Yes: 52.8% - No: 47.2%
Did someone accompany you to the event?	Yes: 94.8% - No: 5.2%
Accompanying persons	Mean: 3.4 Standard Deviation: 2.3

Source: Authors

Most used and important sources of information are recommendation from friends and relatives and billboards. Visitor expectations towards the event were met or exceeded in 85.5% of cases. About 89.9% were satisfied or very satisfied. 82.6% expressed strong intention to return and 93.6% to recommend to friends and relatives. Table 3 shows detailed information on these variables.

**Table 3: Expectations, satisfaction and intentions in relation to the event**

Variable	Sample Structure (N = 404)
Expectations towards the event	
Far Below	0.5%
Below	2.6%
Equal to	44.6%
Exceeded	40.8%
Far Exceeded	11.5%
Overall Satisfaction	
Very dissatisfied	3.1%
Dissatisfied	0.8%
Neither dissatisfied nor satisfied	1.3%
Satisfied	55.2%
Very Satisfied	39.6%
Intention of Repeating	
No	0.5%
Maybe	16.9%
Yes	82.6%
Intention of Recommending	
No	0.5%
Maybe	5.9%
Yes	93.6%

Source: Authors

#### 4.2. Results from PCA

The original principal component analysis solution was rotated using varimax procedure. Three factors were uncovered, as shown in Table 4. Indicators that scored the most in each factor were used to name it: 'Novelty and Cultural Exploration', 'Socialization', and 'Relaxation'. The Kaiser-Meyer-Olkin (KMO) test to evaluate the sampling adequacy scored 0.862, a value higher than the reference value of 0.60, as proposed by Tabachnick and Fidell (2007). The Bartlett sphericity test proved significant ( $p$ -value < 0.001). The three factors taken together explain 63% of total variance and Cronbach's Alpha for each factor indicates an acceptable level of internal consistency.

The process of ordering the factors according to their means put Novelty and Cultural Exploration in first place, followed by Relaxation, and finally by Socialization. The process of ordering attributes in harmony with means obtained, shows that most preferred attributes by visitors are 'Enjoying these kind of events', 'Enjoying new experiences and cultures', 'Finding



new things', 'Enjoying the exploring of new situations' and 'Increasing my knowledge on the region's history'.

Table 4: PCA results (Motivation)

Indicators and motivation factors	Loadings	Mean	Standard Deviation	Explained Variance	Cronbach's Alfa
Factor 1: Novelty and cultural exploration		4.22	0.70	37.97%	0.815
Enjoying new experiences and cultures	0.810	4.33	0.66		
Enjoying the exploring of new situations	0.807	4.23	0.68		
A valuable experience to me	0.715	3.98	0.75		
Finding new things	0.679	4.27	0.67		
Enjoying these kind of events	0.570	4.37	0.62		
Increasing my knowledge on the region's history	0.554	4.12	0.82		
Factor 2: Socialization		3.11	1.06	15.84%	0.864
Being with lots of people	0.878	2.95	1.07		
Observing other people's behaviour	0.824	3.01	1.09		
Making new friends during the event	0.784	3.08	1.07		
Meeting people with similar interests	0.716	3.42	1.02		
Factor 3: Relaxation		3.80	0.95	8.97%	0.706
This kind of events contribute to my relaxation	0.756	3.77	0.95		
This kind of events change my routine	0.728	4.09	0.87		
Slowing down the pace of my life	0.727	3.53	1.03		

Source: Authors

Table 5 shows the results of the PCA, after rotation using the varimax procedure, performed on indicators associated with attribute satisfaction. The Kaiser-Meyer-Olkin (KMO) test to evaluate the sampling adequacy scored 0.89, a value above the 0.60 recommended to an adequate analysis. The Bartlett sphericity test proved significant ( $p$ -value < 0.001). The two factors considered explain 62% of total variance and Cronbach's Alpha coefficients for each factor represent an acceptable level of internal consistency. Two factors were found, namely 'Satisfaction with the venue' and 'Satisfaction with information'. The indicators that scored the highest were used to name the factors. The process of ordering attributes in harmony with means obtained, shows that most preferred attributes by visitors are Animation, Gastronomy, and Venue. Considering the mean values for the factors, that which appealed most to visitors relates to the venue and services available (Factor 1).

With these results, the model was redesigned to integrate five exogenous latent variables (Novelty and Cultural Exploration, Socialization, Relaxation, Satisfaction with the Venue, and Satisfaction with Information) and two endogenous latent variables (Overall Satisfaction and Loyalty). The complete set of hypotheses can now be formulated:

**H1:** Visitor motivation positively influences overall satisfaction with the festival experience

**H1a:** Novelty and cultural exploration positively influence overall satisfaction with the festival experience

**H1b:** Socialization positively influences overall satisfaction with the festival experience

**H1c:** Relaxation positively influences overall satisfaction with the festival experience

**H2:** Satisfaction with attributes positively influences overall satisfaction with the festival experience

**H2a:** Satisfaction with the venue positively influences overall satisfaction

**H2b:** Satisfaction with available information positively influences overall satisfaction

**H3: Overall satisfaction with the festival positively influences loyalty**

**Table 5: PCA results (Satisfaction with attributes)**

Items and factors of satisfaction with attributes	Loadings	Mean	Standard Deviation	Explained Variance	Cronbach's Alfa
Factor 1: Satisfaction with venue		4.12	078	50.92 %	0.825
Gastronomy	0.749	4.15	0.80		
Venue	0.731	4.13	0.79		
Safety	0.698	3.84	0.79		
Handicraft	0.696	4.09	0.78		
Animation	0.672	4.37	0.71		
Factor 2: Satisfaction with information		3.86	0.88	10.70 %	0.854
Dissemination	0.848	3.77	0.95		
Information	0.803	3.74	0.89		
Tourism Signage	0.707	3.68	0.91		
Cultural Program	0.678	4.00	0.79		
Organization	0.600	4.12	0.83		

Source: Authors

**4.3. Measurement Model**

Table 6 shows that all indicators load higher than 0.50, the minimum acceptable measure of the indicator's reliability (Hulland, 1999). 92% of loadings are above the recommended loading of 0.7, meaning that all indicators share more than 50% of variance with the associated latent variable. So, individual reliability was observed as the indicators load moderately/high on the corresponding latent variables

**Table 6: Results from the measurement model**

Latent Variables and Indicators		Loadings	t statistics
<b>Novelty and Cultural Exploration</b>			
P03	Enjoying visiting these kind of events	0.809	3.347***
P04	Finding new things	0.808	3.865***
P05	A valuable experience to me	0.683	3.243**
P06	Enjoying new experiences and cultures	0.758	3.727***
P07	Enjoying the exploring of new situations	0.859	4.133***
P08	Increasing my knowledge on the region's history	0.679	3.313***
<b>Socialization</b>			
P14	Meeting people with similar interests	0.923	13.523***
P15	Observing other people's behaviour	0.939	11.100***
P16	Being with lots of people	0.958	11.456***
P17	Making new friends during the event	0.934	10.682***
<b>Relaxation and Escape</b>			
P09	This kind of events contribute to my relaxation	0.901	7.561***
P11	This kind of events change my routine	0.884	6.975***
P12	Slowing down the pace of my life	0.918	7.519***
<b>Satisfaction with Venue</b>			
PL1	Venue	0.928	35.940***
PL4	Handicraft	0.932	39.461***
PL5	Animation	0.950	53.608***

Latent Variables and Indicators		Loadings	t statistics
PL10	Safety	0.906	31.140***
PL11	Gastronomy	0.875	23.863***
Satisfaction with Information			
PL2	Information	0.907	33.338***
PL3	Cultural Program	0.882	28.819***
PL6	Organization	0.899	32.315***
PL7	Dissemination	0.868	27.200***
PL8	Tourism Signage	0.899	36.258***
Overall Satisfaction			
S01	Overall Satisfaction	1.000	2.773**
Loyalty			
RC1	Intention of recommending	0.973	70.458***
RG1	Intention of repeating visit	0.969	54.557***

\*\*Significant at a 1% significance level; \*\*\* Significant at a 0.1% significance level.

Source: Authors

Composite reliability results are shown in Table 7. Scores are higher than the reference value of 0.70 recommended by Hair *et al.* (2012), but also Cronbach's Alpha values perform very well. Both measures suggest good internal composite consistency. Convergent validity was also assessed with regard to loadings magnitude and significance (all *ts-bootstrap* are larger than 1.96) and average variance extracted (AVE, all larger than the threshold 0.5, with most of them exceeding 0.6) (Bagozzi and Yi, 1988). Discriminant validity was evaluated by observing the crossloadings, i.e., the loadings of each indicator on the other latent variables. Although not presented in tables 6 and 7, findings show that each indicator loads higher on its latent variable than on the others, by which it may be concluded that the model's discriminant validity is significant.

Table 7: Reliability, AVE and R<sup>2</sup>

	Composite reliability	Cronbach's Alfa	AVE	R <sup>2</sup>
Loyalty	0.970	0.939	0.943	0.726
Information	0.951	0.935	0.794	
Novelty	0.896	0.888	0.591	
Offer	0.964	0.954	0.844	
Relaxation	0.928	0.886	0.812	
Satisfaction	1	1	1	0.625
Socialization	0.967	0.955	0.881	

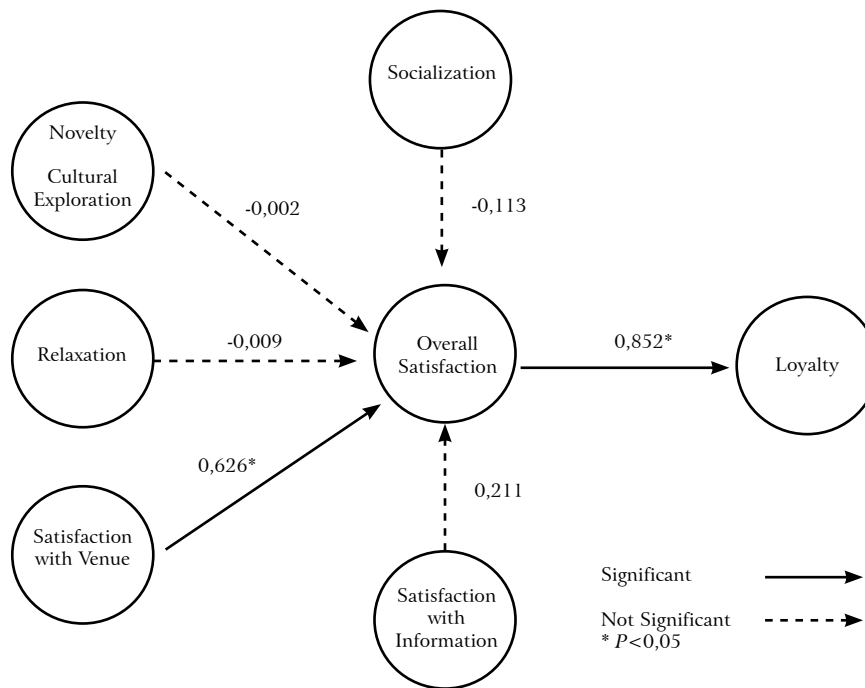
Source: Authors

#### 4.4. Structural Model

After the assessment of the measurement model, the relationships between latent variables were tested. The first test of the structural model is the determination coefficient, R<sup>2</sup>, a measure representing the explained variance by each endogenous latent variable. Results shown in Figure 2 are moderate in relation to Satisfaction (R<sup>2</sup> = 0.625) and strong in relation to Loyalty (R<sup>2</sup> = 0.726) (Hair *et al.*, 2011). The predictive power of the model has also been tested through the Stone-Geiser Index, Q<sup>2</sup>, which measures the ability of the model to predict each endogenous latent variable. Values obtained are consistent with literature recommendations, as they are all positive, meaning that the model has adequate

predictive power. The path coefficients, their signal, magnitude and statistical significance were analysed, and results are shown in Figure 2.

Figure 2: Structural Model Results



Source: Authors

Results show that Overall Satisfaction is not influenced by Socialization, Novelty and Cultural Exploration, and Relaxation; therefore there is no statistical evidence (for a 5% level of significance) supporting hypotheses **H1a**, **H1b**, and **H1c**. On the other hand, Satisfaction with the Venue has a direct and significant influence, at a 5% level of significance, on Overall Satisfaction, which supports **H2a**. There is no statistical evidence that supports **H2b**, meaning that Satisfaction with Information has a direct influence on Overall Satisfaction but is not significant. **H3** is supported by statistical findings, in which case it can be concluded that Overall Satisfaction has direct and significant influence at a 5% level on Loyalty. Table 9 summarizes the results obtained in the tests performed on the hypotheses.

Table 9: Results about testing the hypotheses

Hypotheses	Relationship	Test Result
H1a	Novelty → Overall Satisfaction	Not corroborated
H1b	Socialization → Overall Satisfaction	Not corroborated
H1c	Relaxation → Overall Satisfaction	Not corroborated
H2a	Venue Satisfaction → Overall Satisfaction	Corroborated
H2b	Information Satisfaction → Overall Satisfaction	Not corroborated
H3	Overall Satisfaction → Loyalty	Corroborated

Source: Authors

## 5. DISCUSSION AND CONCLUSIONS

The majority of visitors (94.8%) are satisfied and highly satisfied with the event, an unequivocal indication of the Medieval Fair's success. About 85% of visitors are planning to repeat the visit and approximately 94% have the intention of recommending it to friends and relatives. In fact, 52% of respondents are repeating visitors; in addition, the main source of dissemination of the event is recommendation to friends and relatives, which is consistent with the nationality of most visitors (Portuguese and Spanish). Thus, attention should be paid to the selection of dissemination means to attract visitors from other countries. This question is relatively important as the venue is located in the main Portuguese tourist destination and it occurs at the end of the high season. To attract tourists from other nationalities who are on holiday in the region it is crucial to invest in alternative channels of communication and target diffusion among hotels and resorts in the Algarve.

The PCA shows that there are three groups of factors motivating visitor travel and participation in the Castro Marim Medieval Fair: Novelty and Cultural Exploration, Relaxation and Socialization. Novelty and cultural exploration is the most relevant factor to visitors in search of new situations related to local tradition and culture. Relaxation, on the other hand, is the second most relevant factor, especially important to those visitors in need of relaxing and escaping from daily routine. It would be interesting to analyse variations in terms of visitor socio-demographics, similar to those conducted in previous studies (Guerreiro *et al.*, 2011b). However, the hypotheses raised in relation to these three motivations allow us to conclude that there is no statistically significant relationship between them and overall visitor satisfaction with the event. These results point to the need to further deepen the construct of satisfaction, particularly with regard to its antecedents.

The PCA performed on the Medieval Fair attributes formed two groups of factors: Satisfaction with the Venue and Satisfaction with Information. The former has been found more important for visitors. From all the indicators analysed, gastronomy, the venue's physical characteristics, handicraft and safety were found to be key attributes to visitor satisfaction; therefore, they should be the focus of the event's developers and managers.

Another important result is the statistically significant relationship between the constructs Overall Satisfaction and Loyalty. The solutions that have been presented are unique and unequivocal, the discriminant validity of Overall Satisfaction and Loyalty shows the distinction between the two constructs, allowing the application of general notions on consumer loyalty in the context of events. It is possible to predict the intentions of Castro Marim Medieval Fair visitors, providing useful information to developers and managers of the event, as well as to tourism destination managers. Moreover, the results obtained from the tests performed on the model's hypotheses suggest that to improve overall visitor satisfaction, special attention should be paid to the attribute Satisfaction, namely those attributes related to the venue and services included, because they directly and significantly influence overall visitor satisfaction with the event. On the other hand, overall satisfaction is not influenced by available information. It would be interesting to identify the attributes relating to Information that visitors use to make their decision to attend the Medieval Fair. It would be the adequate context to test the assumption of Spreng *et al.* (1996) on the antecedents of overall satisfaction, i.e. attribute satisfaction and information used to make the purchase. In contrast with other studies, motivations didn't show a significant effect on overall satisfaction with the event. Additional research is needed to further investigate the reasons for these findings.

Also with regard to the significant relationship between Overall satisfaction with the event and Visitor loyalty, it would still be important to check whether or not this intention materializes, as well as identify the repeating pattern of the visit to this event. Monitoring

the event over time will enable a more consistent understanding of visitor behavioral trends as well as provide a better perception on the position of the event compared to others of its kind, conducted either in the Algarve or in other competing destinations.

To conclude, and in accordance with previous findings (Guerreiro *et al.*, 2011b), the study's results draw attention to the complementary role of Culture and Sun & Sea, confirming that cultural events add value to and differentiate the Algarve as a tourism destination. In fact, these types of events can contribute to the memorization of unique experiences and to consolidate an image of the region able to differentiate it from its most direct competitors. In this sense, the cultural component is assumed as a strategically important factor not only for the tourism experiences but also to the destination image. The recognition of this issue may have implications, for example, in the changing process of this occasional event into a permanent event for visitors.

The model has been tested in a specific context, Castro de Marim town, Algarve (Portugal). It is recommended that the study could be replicated in other settings and higher dimension events, displaying different attributes, and hosting visitors from other nationalities, so that the model's generalization potential can be assessed. Its application in alternative settings should identify more reliable indicators to measure the constructs, thus contributing to its stability and robustness.

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