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**Faculty of Economics and Management**

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**Bachelor thesis**

**Analysis of Consumer Behaviour in Touristic Field - on  
Example of Outgoing Tourism to Dubai**

**Julie Kalinová**

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### Honorary declaration

I hereby declare, that I elaborated my Bachelor thesis Analysis of Consumer Behaviour in Touristic Field - on Example of Outgoing Tourism to Dubai, only myself under the supervision of my bachelor thesis supervisor and used scientific literature and other sources of information that are all cited and listed in resources in the end of thesis. As the author of this bachelor thesis I declare that I did not violate any third persons' copyright.

In Prague 1.4.2011

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**Analysis of Consumer Behaviour in Touristic Field - on  
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**Analýza spotřebního chování v Cestovním ruchu- na  
příkladu odchozího cestovního ruchu do Dubaje**

## **Souhrn**

Tato bakalářská práce se zabývá spotřebním chováním, jeho charakteristikami a aplikací v cestovním ruchu. Jsou zde popsány různé faktory jako motivace, kulturní a sociální predispozice, které ovlivňují důvod nákup určitého produktu cestovního ruchu. Spotřebitel může být dostatečně motivován, ale pokud mu jeho sociální predispozice nebo především jeho finanční situace nedovoluje, z nákupu produktu sejde a potřeba a motivace spotřebitele nejsou uspokojeny. Práce se dále zaměřuje na odchozí cestovní ruch z České republiky do Dubaje, Spojených Arabských Emirátů. Dále studuje trendy v cestování do Dubaje a zabývá se vývojem spotřebního chování turistů. Po teoretické části následuje praktická demonstrace a analýza vztahu mezi příjmem a počtem výjezdů do Dubaje. Analýza příjmové elasticity poptávky ukazuje silný vztah mezi příjmem a výjezdy do Dubaje. Navzdory tomuto vztahu, počet výjezdů v posledních letech stále stoupá. Toto je zapříčiněno stále vzrůstajícími příjmy českých spotřebitelů a hlavně velkému nárůstu mezd ve vyšších sférách, který se však neprojevuje v průměrné hrubé mzdě.

**Klíčová slova:** spotřební chování, cestovní ruch, vzájemná souvislost, příjem, příjmová elasticita, Dubaj

## **Summary**

This thesis deals with consumer behaviour, its characteristics and application in the tourism field. Different factors influencing consumer behaviour were described and studied. Motivation, cultural and social predispositions are factors that affect the reason of purchasing a certain tourism product. A consumer can be well motivated and have right cultural predispositions, but if the social predispositions and mainly financial constrains are not in favour of the purchase, the intangible motivation of the consumer cannot be satisfied. The thesis focuses on outgoing tourism from the Czech Republic to Dubai, United Arab Emirates. Furthermore it studies trends in travelling to Dubai and the development of the behaviour of Czech tourism consumers. After, follows the demonstration and analysis of relationship between income changes and the number of holidays spent in Dubai. Furthermore, studying the relationship between the Czech consumers' gross average annual income and the trips made to Dubai, shows that there is strong dependence between the two. Although this dependence, there is a very high increase in the stays during the last years of the studied period. This is caused by a recent increase of the wages in higher income levels that is not shown in the average wage.

**Keywords:** consumer behaviour, tourism, relationships, income, income elasticity, Dubai,

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# **1. Introduction**

This thesis describes consumer behaviour, its characteristics and application in the tourism field. The consumer behaviour includes elements from psychology, sociology and economics. It studies different characteristics of individual consumers such as demographics and behavioural variables. Influence of family, friends, reference groups or society in general is explained too. The aim of studying consumer behaviour is to understand the buyer decision making process and people's wants, interpret this information, make plans and implement them. Various factors that influence and limit the consumer behaviour, such as motivation, motives, determinants, and consumer predispositions and constraints such as price and income and their relationships are explained. This thesis studies consumer behaviour in field of tourism. Tourism is travel for recreational, leisure or business purposes in places outside ones' residency for at least 24 hours. Tourism is an important sector of commerce and economics; it contributes to national Gross Domestic Product, to the local budgets and supports the investing activity in region and long-term cooperation between subjects involved. Furthermore the thesis studies one of such cooperation between two countries and focuses on outgoing tourism from the Czech Republic to Dubai, United Arab Emirates. Development of tourism in the Czech Republic is studied in relation to Dubai. This development is affected as well by consumer behaviour. This thesis will study the relationship between the income changes in the Czech Republic and the number of holidays spent in Dubai.

## 2. Aim and Methodology

The aim of this thesis is to describe and explain **consumer behaviour** and apply such knowledge in the example of **outgoing tourism** from the Czech Republic to Dubai. In addition to this, another objective is to evaluate the **trend** in trips to Dubai over a period of eight years and the connection between these trips and the **individual's income changes**. Two hypotheses to study were stated. Suppose the **number of trips** made to Dubai in years 2011 and 2012 will be **10% higher** compared to the last year in the period. Second hypothesis suppose there is a **positive relationship** between the visits in hotels in Dubai and the development of income in the Czech Republic. These hypotheses will be confirmed or refuted. Outcome of this thesis should be a demonstration of this relationship and partial prediction of future trends.

The methodology consists of analyzing all available literature and data. After the literature review, a practical study and calculations follow. The data were gained from the **Czech statistical office**, from where the gross average nominal income numbers. Data about the number of Czech citizens in Dubai were obtained from **Department of Tourism and Commerce Marketing** office in Switzerland. The data show only the number of Czech citizens in Dubai's hotels and apartments. There is no specification whether the purpose of the trip was tourism or business trips. In general it is possible to assume that travellers with tourism purposes stayed in hotels and businessmen in apartments. For some calculation such as income elasticity the two types were used separately and for other the total was used. Other economic data were downloaded from websites of **International Monetary Fund** or **World Travel and Tourism Council**.

For the examination of the relationship between outgoing tourism and the individuals' income, index numbers, regression and correlation analysis and income elasticity of demand were used.

**Index numbers** study the separate changes constituting the development within a time interval. There are two ways available for studying the comparison within a time series. Comparison of the development to a fixed basis is called *fixed base index series*;

comparison of each of the levels in the time series to the one preceding is called *chain base index series*. (Connor, 1937). The strength of a linear relationship between two variables indicates the **Pearson correlation coefficient**. The positive sign means positive relationship between the two variables; they develop in the same sense. If the regressor grows, the regressand grows too, when the regressor decreases, the regressand decreases too. (Dalgaard, 2008)

The **income elasticity of demand** measures the relationships and changes in demand for a good with change in the income level of consumers of this good, holding all prices constant. The general calculation of income elasticity is the ration of the percentage change in demand to the percentage change in income. If the calculated values of income elasticity are:

- $E_i > 1$  then the good is a luxury good or superior good and income elastic
- $0 \geq E_i \leq 1$  then the good is a normal good and income inelastic
- $E_i < 0$  then the good is an inferior good and negative income inelastic

(Times, 2011)

## 3. Literature review

### 3.1. Consumer

“A consumer is an individual who buys products or services for personal use and not for manufacture or resale. Consumer is someone who can make the decision whether or not to purchase an item at the store, and someone who can be influenced by marketing and advertisements. Any time someone goes to a store and purchases a toy, shirt, beverage, or anything else, they are making that decision as a consumer.” (Investorwords)

According to Loudon (1993), a consumer can be defined as a person who is engaged in activities such as evaluating, acquiring, using and disposing goods and services. This definition leads consumers directly to their economic significance, because it defines them as potential purchasers of products and services. Further, Loudon divides consumers into two types. The first type is called *The Ultimate Consumer*, this stands for “individuals who purchase for the purpose of individual or household consumption” (David L. Loudon, 1993). The second type is called *The Individual Buyer*, this stands for individuals that make purchases with or without little influence from others. However, there are many examples that confirm influence from others, like planning a vacation or buying new car. In those cases, a partner or the whole family is included in the decision-making.

### 3.2. Consumer behaviour

Consumer behaviour is a subset of the human behaviour, because the factors that affect the purchase decisions, also affect the human daily life. Consumer behaviour involves mental decision processes as well as physical actions. Some of the processes and activities occur before the purchase and some of them after. The decision-making process can take place over certain time. The factors that affect consumer behaviour are internal, like the learning or motives, and external, such as social expectations and constraints (David L. Loudon, 1993). The fact that consumer behaviour is a subset of the human behaviour makes its study easier because results from other behavioural science studies can be applied. Among the

behavioural sciences that most greatly contribute to the study of consumer behaviour are: *psychology, sociology, social psychology, economics and anthropology*.

The study and comprehension of consumer behaviour is very important to firms and organizations and help them improve their marketing strategies. The main issue is to understand how consumers think and select between different brands, products and retailers. Understand how family and culture influence their choice. When these issues are understood, they can help marketers to adapt and improve the market campaigns and marketing strategies. For marketing, decision-making is important to have the information about consumer behaviour in different situations and to know the reason of such behaviour. The most important information is the behaviour under different conditions and the possible ways to influence consumer behaviour by marketing means. (Lars Perner, 2010)

One of the official definitions of consumer behaviour is "The study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society." (Hawkins, 2007). From this definition it can be said that consumer behaviour involves the use of products, the study of how they are purchased and services and tangible goods are to be taken into account.

After understanding the meaning of consumer behaviour, it can be applied in the following areas.

- Marketing strategy - main area where the application of consumer behaviour studies is done and it helps to make the marketing campaigns better and more efficient. The studies help marketers to prepare the advertisement properly in order to reach the target segment of consumers.
  
- Public policy - the public authorities can act to prevent negative effects or support positive effects of the products on the market when consumer behaviour is well understood.

- Social marketing - involves spreading new ideas between consumers rather than only selling something. An example of social marketing is the campaign that encouraged the cleaning and not sharing of needles in the drug users' community.

Finally, understanding consumer behaviour should encourage consumers to be better consumers and pay more attention to the information available.

Consumer can be seen from two perspectives. The first is called *micro perspective* and the second one is called *societal perspective*. The micro perspective is the actual understanding of consumer behaviour by the firms and organizations, used afterwards in advertising campaigns, product design and other activities that lead to profit. The second perspective is on the macro level and describes the influence of consumers and their behaviour on national economics and social conditions in general. Consumers influence what will be produced, who will produce it and from what resources, therefore influence the society's standards of living (David L. Loudon, 1993).

An important role is also held by psychology schools and their views on human behaviour. With the analysis of human behaviour and with its prediction, terms like need, incentive, and motivation are connected. These terms are explained below.

*Motivation* is an internal event, which regulates the individual's relation to his/her surroundings. It can be understood as a need that is characterized by some deficit.

*Behaviour* is an activity which enables the relation between the need and its satisfaction.

*Motive* expresses the content of this satisfaction.

It is important to remember that need is the feeling of satisfaction and not the bought product itself. As well, the reason of purchase is the satisfaction and not the price of the product. The variety of products and their prices serve only as the stimulation or incentive.

### 3.2.1. Motivation

*Subjective concept* describes motivation as a psychological process explained as the reaction either to a certain stimulus or to a certain natural internal feeling such as instinct. According to another theory, motivation is described as a relation of an individual to his surroundings. The relation can be *attractive* or *averse*. Despite all the studies carried out, human motivation and reaction are very difficult to predict. The motivation process is affected not only by the motivational component but also by the cognitive components. These cognitive components influence the motivational components and can change the reaction to a certain stimulus.

The basic forces of individuals' motivation are usually need, interest, values and attitudes. These needs guide the individual's actions in general, as well as the consuming decisions. The *needs* are "expressions of dependence of the organism on its surroundings and in the same time are reactions to these surroundings." (Hilda Bártová, 2005) The needs are affected by connections between the biological, socio-economical and individual life.

The interest of the market is primarily focused on the satisfaction of needs. The market offer acts as the incentive - stimulation. Products must satisfy the consumer from different aspects of the biological and social needs.

Incentives on the supply side can

- guide the behaviour,
- influence the needs satisfaction
- and influence future development

### 3.2.2. Motives

Motive can be described as an inner state that mobilizes energy and directs it in selective fashion toward goals usually located in the external environment (David L. Loudon, 1993). Motives affect mental and physical activities and can direct and arouse the behaviour of consumers. Their main function is to guide the behaviour.

Motives influence consumers in identifying and developing their basic needs such as safety, relationship, achievement and help in decision-making. Motives also push and influence consumers to identify products as goal objects. It can be influenced so many promotions are developed to persuade consumers to consider some products useful for achieving some motive. Another important function of motives is to influence choice criteria. This means that the consumers' criteria for evaluating products can be also guided and influenced by marketers. Usually consumers are not aware of their own motives or are unsure of the specific criteria to use for product evaluation and therefore can be manipulated by marketers. Generally speaking, motives affect individuals' perception, learning, personality, attitudes and how people process information (David L. Loudon, 1993). There are three categories of motives.

The first one divides motives into *physiological and psychogenic*. This categorizes motives according to their sources. Physiological motives satisfy the biological needs such as hunger, thirst or pain. On the other hand, the psychogenic motives are connected with the satisfaction of internal psychological desire like achievement, relationships or social status. What is interesting is that by satisfying physiological needs the psychological ones are satisfied too. The second category divides motives into *conscious and unconscious*. This is according to the degree to which the consumer is aware of being influenced by these motives. The last, third, category is *positive and negative* influence of motives. The positive motives attract consumers towards their desired goals. The negative ones help them to stay away from unwanted consequences. An example of the negative motive is the fear and further insurance to protect ourselves.

### **3.2.3. Cultural predisposition**

External cultural environment influences the decisions and actions of a consumer in a very wide way. Culture affects a very broad range of consumers.

Culture is “complex that includes knowledge, belief, art, morals, law custom, and other capabilities and habits acquired by man as a member of society” (David L. Loudon, 1993). Culture can be also defined as an artificial environment created by man. It is a complex of



tangible products, institutions and intangible products that serve for satisfying the individual needs. The specific cultural characteristics and uses had to be accepted and learned during ones life. The habits are taken from the local cultural environment, set by the religious views and nationality. Some basic rules are taken from the previous generation. This is mainly represented by traditions. Culture in itself can be divided into components. They are tangible and intangible.

The tangible components are also called cultural or material artefacts. All physical substances that have been changed and used by people such as consumer products, packaging and waste belong to this group. Belonging to the second group of nonmaterial components are social norms, ideas, customs and knowledge shared by the members of the society. These elements are connected to the elements from the first group, because they give the meaning to them. An artefact would not have any use without a connection to the consumer behaviour. (David L. Loudon, 1993) (Hilda Bártová, 2005). In the second group there are elements such as non-verbal communication or consumer habits. The consumer habits are ways of preparation and usage of products.

Culture influences the consumers' choice when making purchases. Almost all purchases are made to satisfy physical needs. Because of this, understanding culture and national habits helps to create more efficient and more consumer focused marketing strategies.

Consumer habits are affected by national traditions, geographical position and other factors. Other habits are connected to the method of purchase. It defines how the consumer pays for his purchases, if they use a credit card or take a loan etc. The last habit I would like to mention is the habit related to media. This is connected to the following of media and the reaction to it.

#### **3.2.4. Social predisposition**

The next step after the acceptance of the culture is the entrance and belonging to a certain social group, society. To be able to belong and live in a certain society we have to understand its culture, accept its set of values and know how to behave in certain situations.

In society, we can observe different social groups. The first one is called the *primary group*. This group represents the family that also defines the characteristics of the group as a whole. “The number of members is quite low, between the members is familiarity and close relationship, membership is voluntary and long-term. In the family, the parents form their children by showing and teaching them the right values, attitudes, behaving patterns, knowledge and esthetical feelings” (Hilda Bártová, 2005). The gained information and habits the children then pass onto their own children.

From the marketing point of interest, the individual’s life is divided into phases according to age. There are many ways of this division, for example the family cycle defined by a study of Target group index, done by the Median Company (Median s.r.o). This study divides the society into nine groups according to the age and presence of children.

The groups are:

- single under 35 years
- married couple under 35 years without children
- married couple under 35 years with children
- married couple 35-54 years without children
- married couple 35 - 54 years with children
- one parent with children
- married couple above 54 years
- lonely 35 - 54 years
- lonely above 54 years

During these life periods, the consumer habits and behaviour change. The young singles or young couples have different priorities than the married couple with children and according to them, their purchases differ. As well as family, our friends also influence our behaviour and consumption. The family affects our basic values like moral principles, clothing, and way of speaking or education. Friends on the other hand, influence our style, fashion and hobbies.

The next group of society is called the *Referential group*. “The referential group is a group to which an individual is referring to and forms his/her attitudes and behaviour. This group

can be an individual or group that serves to other individual for comparing and referring to his/her values, attitudes and behaviour” (Hilda Bártová, 2005). He/she accepts the group’s norms, rules and values. One individual can have more referential groups. The referential groups can influence the behaviour of an individual. The group serves as a source of information and help during the process of choosing the product or the individual chooses the product to show his/her belonging to a certain referential group. The referential groups influence on the choice either of purchasing a certain product or service, or of choosing a concrete brand. Some examples are in the Table 1 below.

**Table 1 Influence of R.G. on consumer behaviour**

<b>Referential group influence on category</b>	<b>Influence of referential group on brand choice</b>	
	<b>Weak</b>	<b>Strong</b>
<b>Strong</b>	TV, games, video,	Golf clubs, yachts
<b>Weak</b>	Mattresses, lamps, radios, soaps	Watches, cars, clothing

Source: (Hilda Bártová, 2005)

The third level of the basic division of the society into groups is the so-called *Secondary group*. These groups are usually larger and more impersonal than the primary groups. The intimacy and connection between members is less usual. Belonging to the secondary groups are e.g. associations, ethnical groups or social classes. “The social class is an open group of individuals with similar social ranking” (Hilda Bártová, 2005). The division and ranking of the society is made according to different variables. The main three ones are individual’s wealth, prestige and power. Some of the concrete components are authority, income, job, education, life style or connections.

Each social group has different habits, living conditions, and therefore different consumer behaviour, for example the recognition of personal needs in clothing or free time activities. Higher social group will influence the choice in purchasing high quality brands. Other example of the social group influence is speech and word choice, choice of media as well as the reaction to advertisement. The higher classes appreciate rationality, product characteristics and success; the lower classes appreciate mainly the visual part.

Another important factor belonging to the social predispositions group and affecting the consumer behaviour is the *life style*. The life style determines what kind of products or services an individual buys, what brands he/she prefers, what values are important to him/her, how he/she spends the free time, how he/she behaves purchasing a certain product or service. The life style is important because the consumer behaviour is an expression of the life style. Knowledge of people's life styles can be useful for creating new products, services or their modifications and for pricing. It is important in the communication with target groups of customers as well.

### **3.3. Consumer behaviour in tourism**

In the field of tourism, the same rules and general principles are applicable. Nevertheless, there are many factors and specific characteristics to be taken into account when preparing a marketing strategy for a touristic resort or travel agency. These specific characteristics are connected with the general characteristics of the touristic field and its market.

To be precise about the terms that are used, let's state the definitions of tourism itself. There are many definitions used, one of them is: "tourism is a set of activities focused on satisfying needs of people connected with stay out of the permanent residence. This stay has usually some social, cultural, sport or working reason." (Orieška, 1999)

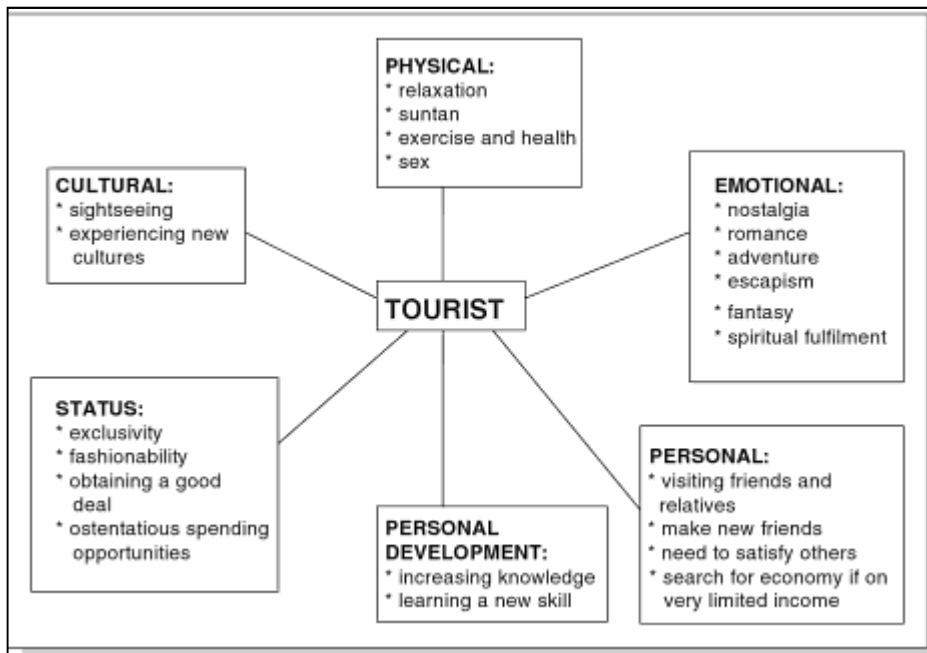
The specific characteristics that make the tourism products different from other sector's services are the complexity of services, delivering overall experience and the influence of external factors. (Swarbrooke & Horner, 2007) The complexity of the tourism products and services consists in offering both tangible and intangible goods and services from a one night stay to a long-term tailor made holiday. Another specific characteristic that must be considered is that offering a tourism product such as a trip or holiday, the customer expects overall experience. That means he has some expectations from the trip he purchased and it is not certain whether those expectations will be met. The future purchase of the same product from the same provider depends on meeting those customer expectations. The last of the major characteristics is the importance and dependence of the tourism product on external factors. The tourist or the providing company cannot control these factors. They are for example weather, strikes and sudden outbreaks of diseases.

These factors determine the tourism product. The tourism consumer is influenced by his/her own motivational factors and his/her determination to buy the product. In case of tourism as states Swarbrooke (2007), the motivators are those factors that motivate the tourist to wish to purchase a particular product. The determinants are factors that determine to which extent tourist is able to purchase the desired product.

### 3.3.1. Motivators

There are different factors that affect consumer motivation. Important factors are those that motivate a person to take a holiday. Among these factors belong those such as physical, cultural, personal or emotional motivators. More information about these motivators shows the figure below.

Scheme 1 Typology of motivators in tourism



Source: (Swarbrooke & Horner, 2007)

Let's see the motivators from different points of view. It is possible to discover how the gender, cultural disposition or different demographical segments affect the motivation. It is said that some of the tourism products are designed specially for men or women. For example, a shopping trip to Paris or London will not be much visited by men. On the other hand, on golf or fishing trips there will not be many women present. Anyway, there is not a

very great difference in decisions taken by men and women regarding the choice of holiday. The cultural aspects of motivation can be individual or can be common to many countries. For example, people from the north like to be suntanned and this is one of the most common motivations for people to go to the sea resorts. On the other hand, people from tropical part of the Earth are more interested in locations with a mild climate. More of the cultural aspects, more individual and personal are for example visiting places for some emotional reason. For example, visiting Paris means to experience the romantic atmosphere there. Another different point of view on the motivators is the demographic characteristic. People of different age, education or income level have different motivations one from another. People with low education or low income are usually motivated by the possibility to do something special during their holidays, so they can escape from their everyday monotone life. On the other hand, rich and high-educated people want their holiday to offer some intellectual and cultural enjoyment.

This was a summary about general factors that affect customer motivation to purchase a certain tourism product. These factors were directly connected with the customer and his/her economic, cultural and demographic situation. Other motivators are connected only to a specific tourism product. For example, a theme park has as prior motivators the excitement, risk, entertainment. Museum visitors are motivated by the need to learn something new. Golf players want to do exercise, meet new friends and be member of a prestigious golf club. Some other motivators specific to certain tourism products are shown in the Scheme no. 2 on the following page.

## Scheme 2 Major motivators and different types of visitor attraction

Theme park	<ul style="list-style-type: none"><li>- excitement</li><li>- risk and adventure</li><li>- escapism</li><li>- status if it has the best 'white-knuckle ride'</li></ul>
Museum	<ul style="list-style-type: none"><li>- learn something new</li><li>- nostalgia</li><li>- status if internationally famous</li></ul>
Art gallery	<ul style="list-style-type: none"><li>- aesthetic pleasure</li><li>- relaxation</li><li>- pursue special interest in art</li><li>- status, if seeing world famous paintings</li></ul>
Leisure shopping complex	<ul style="list-style-type: none"><li>- escapism</li><li>- search for a bargain</li><li>- status, if buying designer label product</li></ul>
Golf course	<ul style="list-style-type: none"><li>- exercise</li><li>- make new friends</li><li>- status, if it is a prestigious course</li></ul>

Source: (Swarbrooke & Horner, 2007)

### 3.3.2. Determinants

The determinants are factors that affect the purchase itself. They include individual factors and external factors as well. The individual tourist is influenced by external factors such as the opinion of his/her friends or relatives, the media, national social and cultural factors and marketing activities of the tourism industry. Studying and changing determinants of purchase the companies are able to offer the best product to the consumer and in this way be able to compete with the competition. The most frequent determinant and most easy to use is when dealing with the price. It works directly with the personal characteristic of a potential consumer that needs to feel to have done a good deal.

The categories of determinants are shown in the Scheme no. 3 on the next page. It is obvious that more inner the quarter is, more is close and proper to the consumer - tourist.

### Scheme no 3 External determinants of tourist behaviour



Source: (Swarbrooke & Horner, 2007)

Each of these categories can be further divided into more precise sub factors.

For example we can see the political factors specified as:

- government legislation and policy
- immigration restrictions and visa requirements
- civil disorder and terrorism
- the nature of political system
- taxation policy, e.g. airport taxes, tourist taxation

The media can be divided into travel media such as guidebooks, information in TV or newspapers, and non-travel media like news and wildlife programmes on television. From the marketing activities of the tourism industry, the examples are destinations' advertisement campaigns, tour operator brochures or travel agent's special promotions (Swarbrooke & Horner, 2007).



These determinants either personal or external can influence individual's decisions to the extent of his/her own personality. Different determinants and their ratio will influence an introvert and difference an extrovert. Other than determinants, other factors are important as well, when making a purchase decision, like the individual's financial resources or well-written guidebook.

The determinants can be affected by the tourism industry. For example it develops products and advertising strategies to match special determinants of certain tourist behaviour, provides wide information to potential costumers about everything they would need, and offers discount deals and purchases on credit.

### **3.4. Decision making**

All the factors described above affect the decision making of the consumer about purchasing the tourism product. The consumer when in front of the decision making about the purchase is always affected by his/her motivation, that is affected by his/her social status and cultural predispositions, and always considering his/her financial margins.

Until now, all of the factors that influence and affect purchase decisions were of a social or psychological nature. Other non-less important and maybe determining factors are the price of a product and the income of the consumer. These factors can change the outcome to negative - non-purchase. The consumer can be positively motivated and willing to purchase the concrete tourism product, but if the price is high or his/her income low he/she just cannot afford the desired product.

#### **3.4.1. Price**

In ordinary usage, price is the quantity of payment or compensation given by one party to another in return for goods or services. One of the official definitions is the following. Price is the market value, or agreed exchange value, that will purchase a definite quantity of goods or services. Price forms the essential basis of commercial transactions. It may be fixed by a contract (such as sale of goods contract), or negotiated during the course of dealings between the parties involved. In other words the price is what a buyer is willing to pay, a seller is willing to accept, and the competition is allowing to be charged. It makes

part of the marketing mix together with product, promotion, and place and therefore it is one of the variables, which can be controlled by a business. It is a criminal offense to give a misleading indication of price such as charging for items that are reasonably expected to be included in the advertised or quoted price. (Business Dictionary).

According to the Czech commercial law, the price is “the amount of money agreed upon purchase or sale of goods, or developed by special legal enactment for other purposes than for sale.” (Business Centre)<sup>1</sup>

As mentioned above, price is one of the marketing mix factors of a business and therefore can be managed and controlled to a certain degree. There are three main methods used to determine the price of certain product. These methods are divided into three groups according to the element that affects the setting of the price; according to the *costs*, according to the *demand* and according to the *competition*. These methods are used at the same time, one, or another. (Susan Horner, 2003)

*According to costs* - this method is the easiest because it starts from the production costs and adds the desired mark-up and the price is created. The disadvantage of this method is that it does not consider the economic aspects of demand and supply. Nevertheless, it is very common.

*According to demand* - in this case the leading force is demand. If the demand of a certain product increases, the price increases as well and if the demand decreases, the price decreases too. Examples are seaside resorts where the prices are higher in summer because of higher demand. Using this method it is possible to set higher prices and therefore generate higher profits, only on condition that the consumers are willing to pay prices higher than the cost price.

*According to the competition* - here the price is set according to the prices of competitors.

Together with these methods pricing strategies are used. If the firm is introducing a brand new product without a competing product on the market, the pricing strategy it chooses will be the “*skimming strategy*”. This strategy allows the firm to set the highest price and

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<sup>1</sup> retrieved from: Obchodni zakonik CR: cena § 1 odst. 2 zákona č. 526/1990 Sb.

generate highest profits at the beginning of product's life cycle. It is possible only due to the exclusivity and uniqueness of the new product. This strategy can be used by travel agencies that offer special and luxurious services. Another strategy is chosen if the company wants to expand its distribution to the widest number of customers, it will use the "*penetration strategy*". The producer or supplier of the service sets the price as low as possible, only to cover the costs in order to get high number of customers. When the consumers become brand loyal, the prices are increased. Last strategy to mention is the "*strategy of discrimination*". This strategy sets prices according to customers, place or time period. The company sells the same product for different prices although the production costs are the same. In the field of tourism is used very often for example in the trips of elderly people or students that pay half price. A hotel offers rooms for different rates in low season to attract customers.

According to Walden (1992), for consumers the price of a product measures the amount of resources (money) that the consumer must give up to purchase the product. As such, the price is guiding variable of the purchase and very dependent on the consumer's income.

### **3.4.2. Income**

Income is the determining and limiting factor of the purchase decision making. The consumer can be motivated enough and willing to purchase the product but if his/her financial resources are not high enough then he/she cannot carry out the purchase. The income for individuals is money earned through employment and investments (Investorwords). It is flow of cash or cash-equivalents received from work (wage or salary), capital (interest or profit), or land (rent). Money or other forms of payment (received periodically or regularly) from commerce, employment, endowment, investment, royalties, etc (Business Dictionary). As the individual's income changes, changes his/her consumer behaviour and willingness to pay as well.

The main sources of individual's income are wage and salary. *Wage* is a financial award or provided by employers to employees for work, according to its complexity, responsibility, working conditions, job performance and business results achieved (Business Centre)<sup>2</sup>. The

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<sup>2</sup> retrieved from: Obchodni zakonik CR § 4 odst. 1) zákona č. 1/1992 Sb., o mzdě

*salary* is cash benefits provided to employees by the employer for work (Business Centre)<sup>3</sup>. The work awarded from appropriate period and it is set by a moth rate. (Vladimír Munzar, 2006)

The income works as the main constrain of the purchase if all the other conditions are satisfied. Depending to which level of income the consumer belongs, the type of trips and tourism product he/she chooses to buy varies. According to income a consumer chooses cheap last minute trips or expensive special tailor made travel packages.

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<sup>3</sup> retrieved from: Obchodni zakonik CR § 3 odst. 1) zákona č. 143/1992 Sb., o platu

## **4. Characteristics of destination**

Dubai, one of the most interesting emirates of the United Arab Emirates, covers a surface of 4 114 km<sup>2</sup> and is home to 2.262.000 inhabitants. Dubai represents the regions leading travel destination with one of the most dynamic economies. In a very short time the original settlements changed to skyscrapers, shopping centres, golf courses, cultural centres, educational institutions and artificial islands. These tourism developments have made Dubai the destination of choice for travellers and businessmen from all over the world. Dubai extends the welcome to holiday makers as well as business visitors, offering facilities of the highest international standards combined with the charm and adventure of Arabia. With a perfect winter climate, top class hotels, superb facilities for a variety of sports and leisure activities and excellent shopping, Dubai has something to offer for everyone. Moreover, the emirate is friendly, safe and virtually crime-free.

In 1833, members of the Bani Yas tribe, led by the Maktoum Family, settled at the mouth of Dubai Creek. The harbour position was very strategic for trade and the settlement developed into a centre for the fishing, pearling and shipping sectors. By the end of 19<sup>th</sup> century Dubai was a flourishing port and the traditional market called souk, on the Deira side of the Creed had more than 350 merchants, making it the largest marketplace of its kind on the coast. In the 1959 the Ruler of Dubai, His Highness Sheikh Rashid Bin Saeed Al Maktoum, had the waterway dredged and this project resulted in increased volumes of cargo handling in Dubai. Dubai gained its position of the major commercial hub in the region. In 1966, oil was discovered. The revenues from it were used to finance major infrastructure projects such as port and Dubai International Airport. Later on Dubai built artificial harbour in Jebel Ali and a free zone around the port. Other projects such as Dubai Dry Dock, Shindagha Tunnel or the Dubai World Trade Centre enhanced the development of the city, which continues to this day. Investor-friendly environment, zero tax on personal and corporate income and low import duties drove business activity in the emirate. In 1985 the Emirates airline was established and Dubai plans its reinvention as a tourist destination.

Dreams of rules of surrounding emirates of creating a federation were realised in 1971 when Dubai, Abu Dhabi, Sharjah, Ajman, Umm Al Quwain, Fujairah and Ras al Khaimah joined to create the **United Arab Emirates**.

In the last three decades, Dubai developed itself into a high quality tourism destination. Infrastructure projects such as Dubai Metro of the Al Maktoum International Airport brought its results. In 2008, Dubai's hotel industry boasted an 8.3% increase in terms of guest numbers compared with figures of the previous year. Dubai hotels and hotel apartments hosted more than 7.53 million guests in 2008. (Government). The revenues from the hotel sector grew to AED 15.26 billion, which is approx. 3 billion Euros. The number of hotel establishments increased to 50 457 in 2008.

As it has been already stated above, Dubai offers great variety of leisure and sport activities provided in first class facilities. All of the 50 thousand hotels offer high quality services from fine dining to spa wellness services. Most of the hotels have their own swimming pool and some of them their own access to the beach. In the heart of the city there are many touristic attractions like Dubai Aqua Park, Ski Dubai with the first and only indoor skiing slope in the world, the Dubai fountain and many others. For travellers who love nature the emirate offers its deep water life of mountain climbing or wild quad bike trips to the desert or off-road trips. Dubai's nature offers Ras Al Khor Wildlife Sanctuary with more than 400 bird species.

Dubai also attracts with its well know reputation as the regions exhibition and sports hub. Dubai hosts prestigious events such as the Dubai World Cup, the most exclusive horse race, the Emirates Airline Dubai Rugby Sevens, the Dubai Tennis Championships or the first-rate golf championships.

The fact that Dubai tourism is flourishing is confirmed by the data from the World Travel and Tourism Council. The council makes annual surveys and researches in the tourism field all over the world. From its data there is a visible constant increase in the Travel&Tourism GDP of UAE until the year 2008 when the whole industry recorded GDP of AED 235.279. The increasing tendency of the UAE Trave&Tourism GDP is shown below in the table taken from the WTTC organization.

**Table 2 Travel&tourism economy GDP**

Travel & Tourism Economy GDP	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
UAE LCU (bn)	37.19	40.04	42.39	48.77	62.91	90.18	109.2	183	235.3	162.2	156.3

Source: World Travel and Tourism Council

In the years 2009 and 2010 there is visible decrease which was caused by the global economic crisis and therefore fewer trips were made to Dubai.

#### **4.1. United Arab Emirates economic presentation**

The emirate of Dubai has a very fast growing economy. In 178 years of the existence of the emirate it developed from small settlement to the most attractive and luxurious business and tourism centre. The basic income comes from marketing the crude oil found near the coast and from the free tax policy near the harbour in Jebel Ali. Unfortunately there are no statistical and economic data for the separate emirate, therefore data of the whole country are presented. Most of the economic and trade is held in the emirate of Dubai, followed by Abu Dhabi.

Petroleum and natural gas are the main exported products and play an important role in the 706 Billion AED (2009) UAE exports. The main export partners are Japan, China and Iran. The Gross Domestic Product (GDP) of the United Arab Emirates is still increasing, and the latest recorded figure is AED 436 billion (IMF estimate 2010, approx 85,69 billion Euros) (Fund). According to the World Bank the UAE GDP represents 0.42% of the world economy. The United Arab Emirates has an open economy with a high per capita income and a sizable annual trade surplus. Successful efforts in economic diversification have reduced the portion of GDP based on oil and gas output to 25%. The GDP per capita reached AED 86 336 for the population of 5 055 000 (IMF estimate 2010) inhabitants.

The UAE imports were worth 551 Billion AED in 2009. United Arab Emirates imports mostly machinery and transport equipment, chemicals and food mainly from Germany, United Kingdom, Italy, China, India, United States and Japan (Economics2010)

The inflation rate has dropped down to 1.7% (2010) from levels like 11.6% in 2007 (Fund). The unemployment rate in the United Arab Emirates was last reported at 4.2 percent in 2009. The historical high was 20.6% in December 2004.

#### **4.2. The Czech Republic economic presentation**

The Czech Republic as such, was founded on 1<sup>st</sup> January 1993 after the splitting of Czechoslovakia. The Republic had to get used to economic independency and free trade. Before the splitting, Czechoslovakia was used to manage its economy and industrial production by the central planning rules, received from Russia, during the communistic era.

By the time the Republic got to know how to use its cultural and natural heritage, it became one of the most visited places from the ex-communistic republic and confirmed its position on the European market. The Czech Republic joined the NATO in 1999. From 2004 it is a member of the European Union and the Schengen area.

The national GDP of the Czech Republic is 3055 billion CZK (approx 125 bil. Euro). The main goods that the Czech Republic exports are manufactured goods used in the production of automobiles, furniture and electrical appliances. Czech exports were worth 209 billion CZK in 2010. The main partners are European Union countries, especially Germany. The imports were worth 208 billion CZK in 2010. The main imported attributes are machinery and transportation equipment, raw materials, fuels and chemicals. The major import partners are European Union countries, China, Russia and Japan.

The Czech Republic has a population of 10 500 000 inhabitants (estimate, 2010, census will be held in March 2011). For this figure, the rate of unemployment is 6.7% (2010) and 4.8 million of people are employed. (Fund). The latest inflation rate is at 1.7% in January 2011. The highest inflation rate was recorder directly after the founding of the Republic in 1993 at a level of 21.9% (Economics2010).



### 4.3. The Czech Republic and tourism to Dubai

According to the data from the Dubai Department of Tourism and Commerce Marketing, the incoming tourism from the Czech Republic is monitored from the year 2003. This fact means that the boom in the Czech tourism was in this year. Unfortunately there is no information or data about the beginnings of the trips to Dubai organized by Czech travel agencies. There are two major increments in the arrivals to Dubai of Czech tourists, in the year 2004 and 2009. The increase in 2004 was caused by a major increment in salaries in the Czech Republic and the latter by an increase in the supply of travel agencies and constantly higher level of income. By this time, information had spread about Dubai as an attractive touristic destination and many people were sent there for business travels. Czech citizens need to obtain visa before entering Dubai. The closest embassies are in Vienna or Bern.

According to the Czech Embassy in Abu Dhabi, the number of permanent residents mainly in Dubai and partly in other emirates is still increasing and this year it counts around 800 Czechs. This is also connected with the development of private commercial and industrial sector in the Czech Republic and therefore Czech people are sent to Dubai to represent the international companies.

The constant increase in the outgoing tourism from the Czech Republic is also confirmed by regular flights between Prague and Dubai, run by the Emirates Airline. This new route has only been recently added, while before the connection was from Vienna or Zurich.

The current offer of trips to Dubai or the United Arab Emirates in general, is quite wide. There are many travel agencies with a long tradition that added Dubai to their destinations, agencies specialised only in Dubai offering luxurious, tailor-made trips and travel agencies that offer trips to Dubai only as complement to their standard trips anywhere else. These agencies offer a variety of holiday packages. The price and content vary from one to another. Generally there are three types; the luxurious ones, standard and last minute trips.

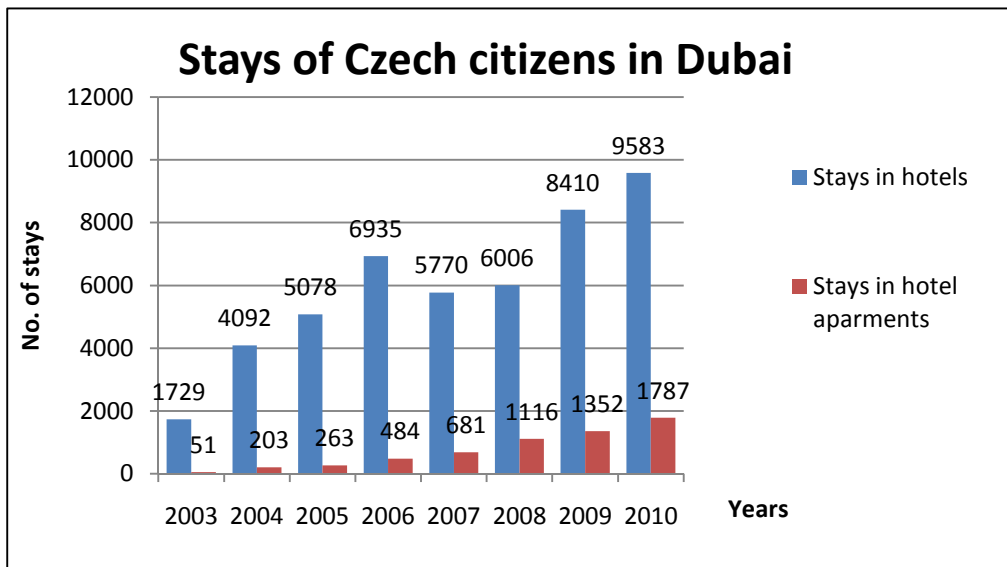
The luxurious trips are usually offered by specialized travel agencies like for example *Exclusive tours*. They are in the 6\* hotels like the Burj al Arab, Madinat Jumeirah - Al

Qasr, Mina Salam, Beit al Bahar or the Royal Mirage. The package usually contains flight ticket, visa, transfer from the airport to the hotel, room in the hotel and other desired extra services. These trips are usually tailor made to the desire of the customer. The price of these trips fluctuates around 120 000 CZK (approx 4 800 Euro). The standard trips and last minutes are provided by normal travel agencies that in their offer cover wider range of destinations and trips types. These travel agencies are well known to the public and usually big chains, e.g. *Eso Travel*, *ČEDOK*, *Invia.cz*, *Exim tours* or *Firo tours*. These trips are to three to five stars hotels such as Altantis Palm hotel, Hilton Dubai Creek or the Jumeirah Beach hotel. Prices vary from 30 000 CZK (1 200 Euro) to 50 000 CZK (approx 2 000 Euro) and the package includes again the flight ticket, visa, bus transfer, standard room usually on bed&breakfast basis. These travel agencies also offer last minute trips. These are for relatively low price. It is possible to buy the holiday for 16 - 20 000 CZK (approx 640 - 800 Euros). Here the accommodation is in 2\* or 3\* hotels. All prices are per person and the stay usually lasts 7 or 8 days.

## 5. Empirical part

The following Figures no. 1 and no. 2 show the individual factors were studied. Data from which these figures were calculated are available in Attachments no. 9.1 and 9.2.

Figure no. 1 Stays in Dubai

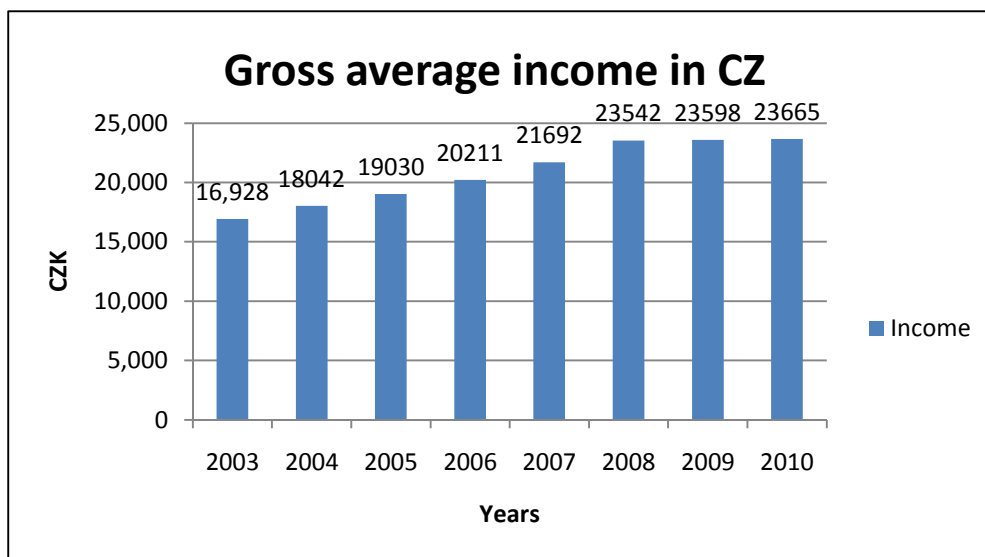


Source: own processing

Figure no. 1 shows the development of the visits done in Dubai's hotels and hotels' apartments. Stays in hotels have higher figures because the number of hotels is higher and the more people going to Dubai for holidays prefer to stay in hotel. The stays in hotel apartments have much lower values. It is assumed that in apartments stay mostly businessmen who arrived to Dubai for longer projects and prefer to stay in a home-like place. Both elements have increasing tendency, despite years 2007 and 2008 in the stays in hotels.

The next figure shows the development of gross average income in the Czech Republic. The average income is as well increasing throughout the studied period, but in the final three years the increment is not as significant as in previous years.

Figure no. 2 Czech gross average incomes



Source: own processing

### 5.1. Index numbers

From the study of fixed base index series, calculations available in Attachment no. 9.3, it is possible to say that while the income increased only by 30%, the final value of visits in Dubai hotels more than doubled after the eight year period and the stays in hotel apartments show final values ten times higher.

The chain base index series, again available in Attachment no. 9.3, show the separate annual changes within the studied period. The change range in the average national income is from +0.24% to +8%, change in hotel stays range from -12% to +136% and the stays in apartment differ from +21% to +298%.

Significant change in the income was in 2009 when the level of income changed the least within the studied period, only by 0.24% compared to year 2008. The change was accompanied by structural actions, mainly by releasing employees with lower level of wages and lower sickness absences. The number of employees lowered by 6.8%. Looking at the hotel stays and stays in hotel apartments the greatest change and increase was at the

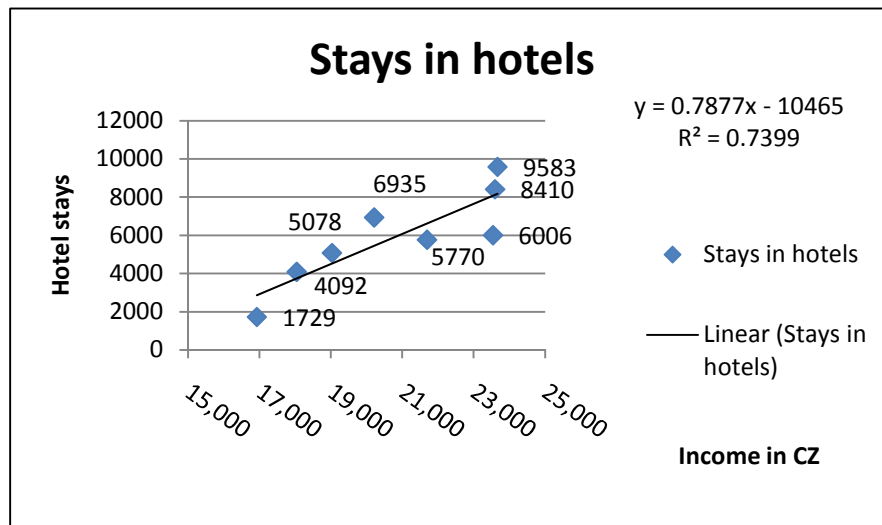
beginning of the studied period, in the year 2004. The hotel stays increased by 136% and the stays in hotel apartments by 298%. In general the year 2004 represent significant increase in the Dubai tourism and economy. The boom was caused by the enlargement of the European Union, high level of global welfare and economy. The GDP of UAE and Czech Republic increased by 9.6% and 4.5% respectively. The travel and tourism GDP increased by 24.3% in UAE and 6% in the Czech Republic, which was first positive value from in 4 years. Very important role play the development of international relationships and projects run in Dubai.

Using the index numbers it is possible to calculate the average annual rate of increment within the period 2003 - 2010. Income has an annual growth rate of +4%, hotel visits +24% and hotel apartments +56%.

## 5.2. Regression and correlation analysis

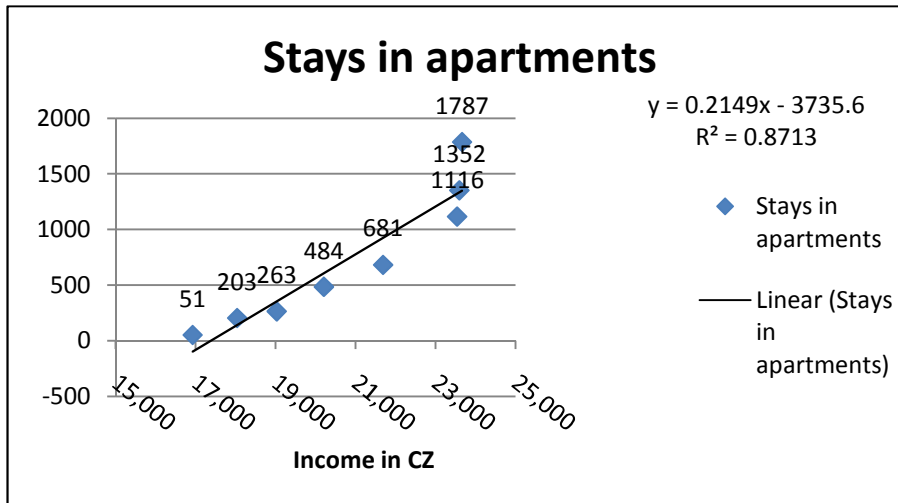
The linear trendline for each of the studied types of stays in Dubai is represented on the following Figures 3 and 4.

Figure no. 3 Regression&correlation - Stays in hotels



Source: own processing

Figure no. 4 Regression&correlation - Stays in apartments



Source: own processing

From these functions it is possible to see that the average change in hotels visits at wage increment by 1 CZK is 0.7877 in the stays in hotels and 0.2149 in stays in hotel apartments. This means that with a one crown increment in average wage, there is a 0.79 or 0.21 increment in trips made to Dubai.

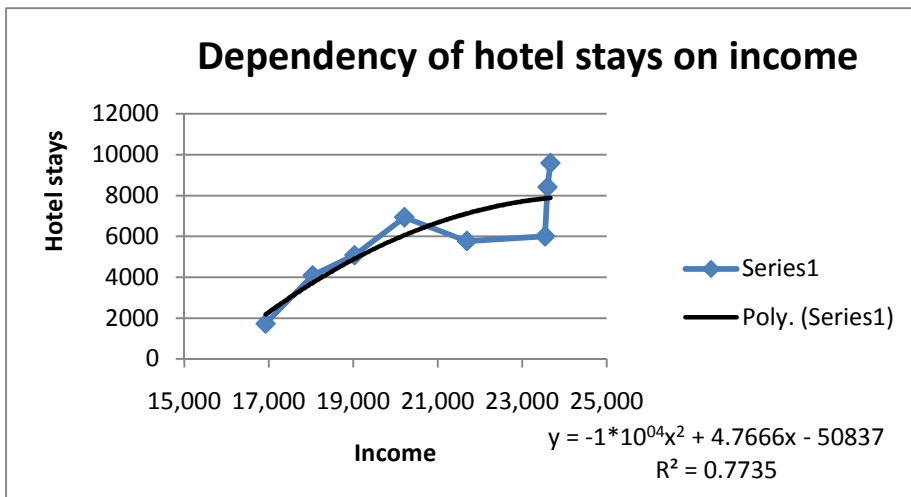
The correlation coefficient between stays in hotels and income was calculated 0.86. This number represents positive strong relation between the incomes and stays in Dubai hotels. The second hypothesis is therefore **confirmed**. Positive relationship shows that higher scores of stays tend to be paired with higher values of income and that lower scores on one variable tend to be paired with lower scores on the other. Strong relationship means that stays in Dubai depends strongly on the income of travellers. Correlation between stays in apartments and income was not calculated because of the assumption that in apartments stay mainly businessmen and therefore it is paid by employer.

### 5.3. Income elasticity of demand

From the data of income and stays in hotels available in Attachments no. 9.1 and 9.2 (stays in hotels), several charts were made and different trendlines were calculated. According to

the coefficient of determination  $R^2$  the most suitable function was chosen. The highest value of  $R^2$  equals 0.7735 and is shown on Figure no. 5.

Figure no. 5 Dependency of hotel stays on income



Source: own processing

Used the equation the values in Table 3 of income elasticity of demand were obtained.

Table 3 Income elasticity of demand

Year	2003	2004	2005	2006	2007	2008	2009	2010
Income elasticity	1.38	1.16	0.96	0.72	0.43	0.06	0.05	0.03

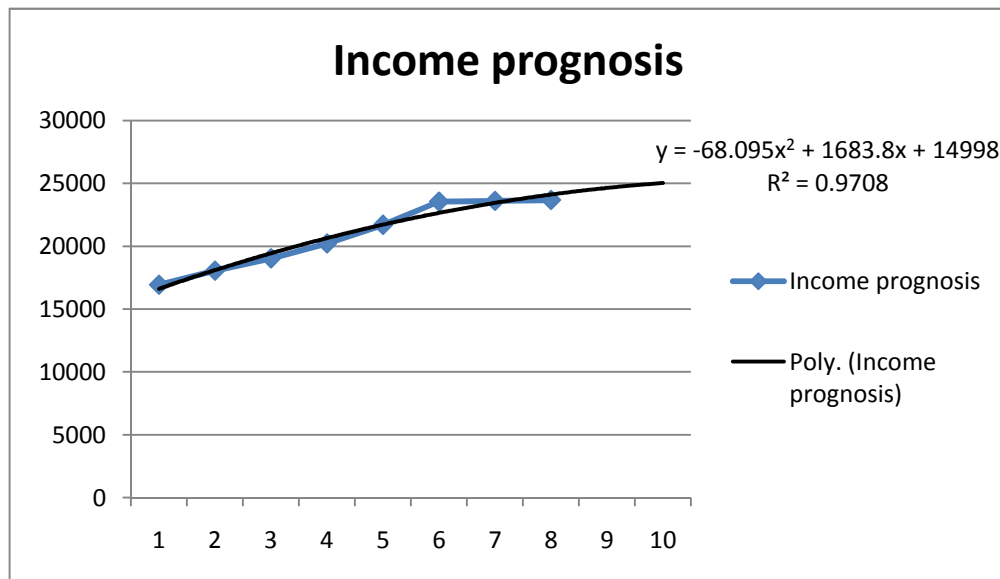
Source: own processing

The values indicate that at the beginning of the studied period, when the income elasticity is higher than 1, the trips to hotels in Dubai were considered as luxury. Already in two years the income elasticity drops to values under 1 which means that from the luxury became “normal” good. This change is because the income was constantly increasing, Dubai became more famous as a touristic destination and trips there more available. The income elasticity was calculated only for the trips to hotels, because assuming that is hotels’ apartments stay only businessmen, the income level is not so important as all the cost are paid by the employer.

## 5.4. Forecast

The forecast was made for the two following years 2011 and 2012 to confirm or refute the hypothesis of predicted increase of 10% compared to year 2010. For the prognosis calculation equations were used according to values of  $R^2$ . First the income for two future years was calculated, according to the equation shown in Figure 6.

Figure 6 Income prognosis



Source: own processing

The precise calculated values are shown in the Table 4. The estimated values of future income are 24 637 CZK in 2011 and 25 027 CZK in 2012.

Table 4 Income prognosis

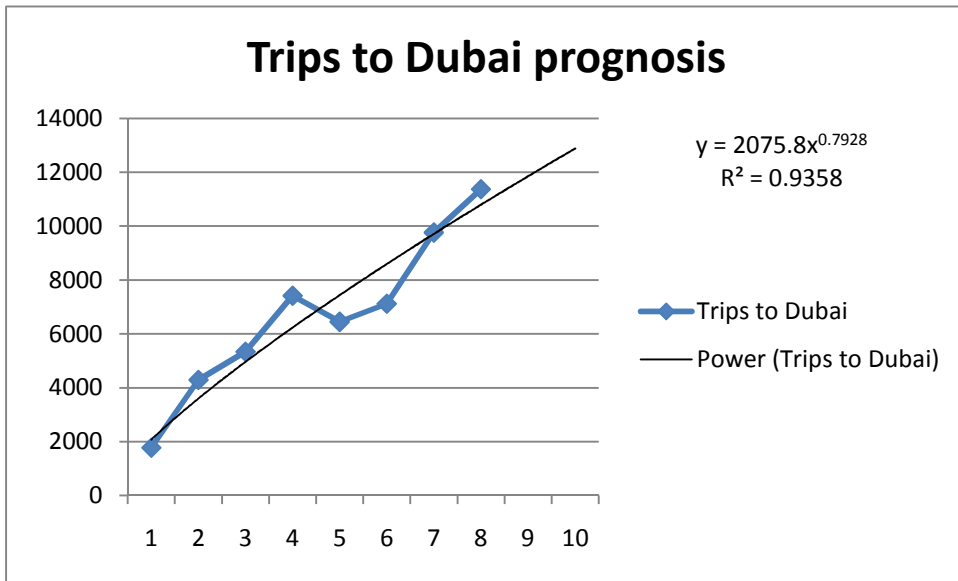
Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Income prognosis	16614	18093	19437	20644	21715	22649	23448	24110	24637	25027

Source: own processing

The future values of trips made to Dubai were calculated from the total numbers of stays in hotels and stays in apartments. For the calculation again the trendline with the highest value of  $R^2$  was used and it is shown in the Figure 7 below.



Figure 7 Trips to Dubai prognosis



Source: own processing

The estimate future total trips to Dubai are 11 850 in 2011 and 12 882 in 2012.

Table 5 Trips prognosis

Year	Trips prognosis
2003	2076
2004	3596
2005	4960
2006	6230
2007	7436
2008	8592
2009	9709
2010	10793
2011	11850
2012	12882

Source: own processing

From this calculation it can be said that the initial hypothesis predicting a 10% increase in next two years was wrong. The increase for year 2011 is only 4% and for year 2012 it is 13%.

## 6. Discussion

Following the calculation is possible to see that the relationship between the outgoing tourism to Dubai and the level of national income exists. The coefficient of correlation defines this relationship as very strong, which means that the number of trips to Dubai hotels made by Czech citizens strongly depends on their income level. The calculation of coefficient of correlation confirms the hypothesis assuming positive relationship between visits in Dubai hotels and income. The relationship can be confirmed also by a simple assumption that the more people earn, the more they are willing to spend and the more luxurious goods and services they buy. This confirms as well the income elasticity calculated with the trips to Dubai hotels. The elasticity numbers show that at the beginning of the studied period trips to Dubai hotels were luxurious goods; at the end of the period the values indicate that trips to Dubai are more usual and available to broader public. The Index number analysis reveals interesting information as well. The study of fixed base index series shows that while the income increased only by 30%, the final value of visits in Dubai hotels more than doubled. The average annual rate of increment within the period 2003 - 2010 has the following values: income has an annual growth rate of +4%, hotel visits +24% and hotel apartments +56%. The explanation of such a big difference is that in general the income increased by lower rates than the trips to Dubai. The biggest difference is between the last two years when the income increased only by 0.24% or 0.28% while the increase in Dubai hotels stays was 40% and 13% respectively. As last, the calculation of future forecast was done. This prognosis should either confirm or refute the initial hypothesis that the future trips to Dubai will be 10% higher. The result of this prognosis are refuting the original hypothesis because the calculated values for future years 2011 and 2012 are 4% and 13% higher respectively.

## 7. Conclusion

This thesis had as its aim to describe and explain the consumer behaviour. The consumer behaviour in tourism is very complex and a wide area to study. All different factors influencing consumer behaviour were described. Motivation, cultural and social predispositions are factors that affect the reason of purchasing a certain tourism product. A consumer can be well motivated and have right cultural predispositions, but if the social predispositions and mainly financial constrains are not in favour of the purchase, the intangible motivation of the consumer cannot be satisfied.

Studying the relationship between the Czech consumers' gross average annual income and the trips made to Dubai, result that there is very strong dependence between the two. This result was obtained by the correlation analysis and confirmed by high increase in the stays during the last years of the studied period. This is caused by a recent increase of the wages in higher income levels that is not shown in the average wage. The hypothesis that assumed the existence of this relationship was therefore true and confirmed.

The study of income elasticity of demand for the trips to Dubai shows that they were luxury good at the beginning of the period. Years at the end of the studied period show lower numbers that the tourism product trips to Dubai partially loose their luxury and become more available to broader number of consumers.

The calculation of prognosis of future trips to Dubai disapproved the initial hypothesis that the future number of trips will be 10% higher than the preceding. The future numbers of trips to Dubai are estimated to be 4% and 13% higher than in the preceding years.

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## 9. Attachments

### 9.1. Czech Republic performance 2003-2010

	2003	2004	2005	2006	2007	2008	2009	2010
Hotels	1729	4092	5078	6935	5770	6006	8410	9583
Hotel apartments	51	203	263	484	681	1116	1352	1787
Total	1780	4295	5341	7419	6451	7122	9762	11370
% change	x	141%	24%	39%	-13%	10%	37%	16%

### 9.2. Average gross nominal income in the Czech Republic

Average gross income 2003 - 2010								
Year	2003	2004	2005	2006	2007	2008	2009	2010
Income	16928	18042	19030	20211	21692	23542	23598	23665

### 9.3. Index numbers tables

Average gross income								
year	2003	2004	2005	2006	2007	2008	2009	2010
wage	16,928	18042	19030	20211	21692	23542	23598	23665
fixed base index 2003	100	106.6%	112.4%	119.4%	128.1%	139.1%	139.4%	139.8%
chain base index	100	106.6%	105.5%	106.2%	107.3%	108.5%	100.24%	100.28%

CZ	2003	2004	2005	2006	2007	2008	2009	2010
Hotels	1729	4092	5078	6935	5770	6006	8410	9583
Fixed base index no.	100	236.7%	293.7%	401.1%	333.7%	347.4%	486.4%	554.3%
Chain base index no	100	236.7%	124.1%	136.6%	83.2%	104.1%	140.0%	113.9%

Hotel apartments	51	203	263	484	681	1116	1352	1787
Fixed	100	398.0%	515.7%	949.0%	1335.3%	2188.2%	2651.0%	3503.9%
Chain	100	398.0%	129.6%	184.0%	140.7%	163.9%	121.1%	132.2%

### 9.4. Regression and correlation data

Year	2003	2004	2005	2006	2007	2008	2009	2010
Income	16,928	18042	19030	20211	21692	23542	23598	23665
Hotels	1729	4092	5078	6935	5770	6006	8410	9583

Year	2003	2004	2005	2006	2007	2008	2009	2010
Income	16,928	18042	19030	20211	21692	23542	23598	23665
Hotel apartments	51	203	263	484	681	1116	1352	1787

## 9.5. Dubai presentation

Map of Dubai



Source: images.google.com

United Arab Emirates flag



Source: images.google.com

## Resources

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