

# Visualizing Danish destinations

Carl Henrik Marcussen

Centre for Regional and Tourism Research

Bornholm, Denmark, [www.crt.dk](http://www.crt.dk)

Presented at the National Seminar on Regional Research,

Bornholm, 20-21 May 2010

# Purpose

The **purpose** of this paper is to uncover interrelations between Danish destinations, accommodation types and markets, and to visualise these.

Research questions:

How are Danish destinations, accommodation types and markets related?

What methodological lessons can be drawn from the study, and what implications, if any, can be drawn for market segmentation and destination marketing?

# Conclusion (1)

- The analytical procedures of correlations, factor analysis, and MDS are related
- The principal components identified in factor analysis can be recognized in MDS diagrams, and the variables which are most highly correlated tends to be placed close together in MDS diagrams
- MDS is useful for illustrating relations between variables – in many datasets
- The MDS procedure PROXSCAL is better than ALSCAL (visually + lower stress)
- PROXSCAL in SPSS is better than PROC MDS in SAS, which in turn is only marginally better than ALSCAL
- The default initialization option called “simplex” in the MDS procedure PROXSCAL produces point configurations with stress measures, which are hard to beat, even with a very high number of random starts (which is a alternative initialization option).

# Conclusion (2)

- Factor analysis can be used for identification of segments in the market
- MDS may be used to illustrate the location of the segments
- Once identified supplementary data may be used to estimate the size of the segments – in volume and/or in value – but the variance explained by each principal component gives a first indication of the relative size of the segments
- MDS diagrams, with or without graphical add-ons (such as circles indicating the individual segments) may be used by destination managers when suggesting and discussing and marketing strategies