Hyun Hee Kim  
School of Hotel and Tourism Management  
The Hong Kong Polytechnic University  
University HKSAR, China  
hh.kim@connect.polyu.hk

Sunny Sun  
https://orcid.org/0000-0002-4508-854X  
College of Asia Pacific Studies  
Ritsumeikan Asia Pacific University Beppu, Japan  
sunnysun@apu.ac.jp

Rob Law  
https://orcid.org/0000-0001-7199-3757  
Asia-Pacific Academy of Economics and Management  
Faculty of Business Administration  
University of Macau  
Avenida da Universidade  
Taipa, Macau SAR, China  
roblaw@um.edu.mo

Value proposition of smartphone destination marketing: The cases of Hong Kong and South Korea

Accepted by Editor Ewa Ziemba | Received: March 6, 2022 | Revised: May 14, 2022 | Accepted: May 24, 2022 | Published: June 23, 2022.

© 2022 Author(s). This article is licensed under the Creative Commons Attribution-NonCommercial 4.0 license (https://creativecommons.org/licenses/by-nc/4.0/)

Abstract

Aim/purpose – This paper aims at examining the value propositions of tourism marketing for smartphone marketing and the value perceptions of tourists of using smartphone applications by investigating the National Tourism Organization (NTO) of Hong Kong and South Korea, respectively.

Design/methodology/approach – Through conducting in-depth and focus group interviews, the present study explored and compared the value proposition of smartphone destination marketing of the NTOS in Hong Kong and South Korea.

Findings – Findings of the present study indicate seven value propositions of the NTO, including aesthetic, functional, hedonic, organizational, social, technological, and user experience values.

Research implications/limitations – An increasing number of destination marketing organizations have been adopting smartphones to meet the demands of the competitive marketing environment. Hence, tourism organizations must enhance the delivery of quality travel-related information to improve tourists’ perceived value. A conceptual framework was proposed based on the findings of the present study, and valuable practical implications were provided.

Originality/value/contribution – The originality of the present study lies in the integration of the value proposition concept in the consumption value theory to the mobile context in tourism.

Keywords: smartphones, smartphone marketing, National Tourism Organization (NTO), value propositions, perceived value, Hong Kong, South Korea.

JEL Classification: M31, N70, Z33.

1. Introduction

Along with the increasing number of mobile device adoption (e.g., smartphones), mobile technologies have become essential in daily lives and have become a personal device used to connect with family and friends (Liu, Wang, & Gretzel, 2022; Persaud & Azhar, 2012). The massive number of mobile device users reflects the increasing demand for mobile communications (Shankar et al., 2010). The adoption of mobile devices signifies consumer media usage at an unprecedented rate and the rapid increase of the mobile marketing channel (Gröne, Friedrich, Hölbling, & Peterson, 2009; Maduku, 2021). Moreover, mobile technologies have strongly affected modern management in which marketing activities can be executed effectively (Haghirian, Madlberger, & Tanusko, 2005; Kim & Law, 2015).

The use of mobile marketing is considered two-way or multi-way communications between organizations and their customers by utilizing a mobile device, which reflects the nature of interactivity of mobile marketing interactive (Shankar & Balasubramanian, 2009; Maduku, 2021). Mobile marketing provides direct communication with consumers when connected with their mobile devices. Three key conditions include ubiquitous network, accessibility to the network, and having a personal mobile device (Kaplan, 2012; Zou, Tan, Liu, Li, & Chen, 2021). Smartphones also enable tourists to directly obtain information, such as weather, accommodation, attractions, and transportation to access the attractions from travel-related websites (No & Kim, 2014; Liu et al., 2022). Tourists use smartphones mainly for four purposes, including relevant information search, communication, entertainment function, and facilitation (Tan
Value proposition of smartphone destination marketing... 189

& Lu, 2019). Meanwhile, with the rise of smartphone adoption during travel, communications via smartphones have gradually become critical channels for tourism or destination management organizations in delivering information to travelers via mobile services (Stienmetz et al., 2013).

Consequently, many tourism organizations are seeking new and effective ways of marketing and adopting innovative technologies into their strategy and implementation. Several efforts have been contributed to execute mobile marketing for tourism destinations. Consumers are fond of location-based services because of the customized service based on their location, and every tourism destination may benefit from new mobile technologies, utilizing location-based service as complementary service (Mohammadi, Darzian Azizi, & Hadian, 2021; Pedrana, 2014). Tourism marketing is becoming more complex, given that tourists consider trips as experiences, which can be a way to keep destinations competitive (Buhalis, 2000; Momani, Alsakhnini, & Hanaysha, 2022). Value propositions are what organizations deliver to consumers. Value propositions define how an organization’s offer differs from competitors’ offers and explain customer’s decision-making purchase from a certain organization (Lindic & Silva, 2011). Successful marketing can build a competitive advantage by creating value for customers (Zach, Gretzel, & Xiang, 2010).

In recent years, although the concept of value proposition has been integrated into tourism, such as smart-tourism or urban ecosystem digital platforms (Carrasco-Farré, Snihur, Berrone, & Ricart, 2022; Li, Fang, & Sukoco, 2021); the role of tourism organization, as an important direct channel to deliver travel-related information to tourists, have been largely ignored by previous studies. In other words, despite the increasing adoption of smartphones, no concrete strategy has been identified and suggested for successful smartphone marketing for tourism organizations. To bridge the aforementioned gap, it is of great necessity for tourism organizations to understand what consumers value and strategize what to offer them. In summary, given the growing importance of smartphone marketing and the lack of understanding on the value of smartphone services within the tourism context, organizations’ value propositions through smartphones and tourists’ value perceptions on smartphone services must be analyzed to help them enhance smartphone marketing. Accordingly, the research question of the present study is what are the value propositions on the smartphone marketing of national tourism organizations? As a result, the present study aims at examining the value propositions of tourism marketing for smartphone marketing and the value perceptions of tourists of using smartphone applications by investigating NTOs.
Consequently, the findings of the present paper extend the consumption value theory within the context of destination marketing. The novelty of the present study lies in the integration of the value propositions concept of the consumption value theory into the mobile context in tourism.

The present study is divided into the following sections, literature review, covering smartphone adoption in tourism, value propositions within the mobile context, and consumer’s perceived value and theoretical background; methodology, which involves method, in-depth interviews, focus group interview, and data analysis, followed by findings and discussions, implications, conclusions, and future research.

2. Literature review

2.1. Smartphone adoption in tourism

In recent years, mobile devices have been gradually upgraded to smartphones that offer internet access and can fulfill tourists’ desires for mobility (Ko, Kim, & Jwa, 2022). Compared with previous versions of mobile phones, given the availability of networks, smartphones, enable users to perform tasks that were impossible before without computer access (Palos-Sanchez, Saura, Velicia-Martin, & Cepeda-Carrion, 2021; Raento, Oulasvirta, & Eagle, 2009). Smartphones are programmable mobile phones with refined sensing capability, larger storage capacity, and integrated networking function (Chan, 2012).

Smartphones change tourists’ behavior by offering a personalized information search with location services (Wang, Park, & Fesenmaier, 2012). When people travel, their information needs come from their desire to connect to a social network and their decision-making behavior, which is highly critical given that smartphones offer convenient ways to link to social networks (Lamsfus, Xiang, Alzua-Sorzabal, & Martín, 2013). Thus, the mobile context comprises information and communication needs from the traveler’s ordinary life and travel decision making (Lamsfus et al., 2013; Liu et al., 2022). Meanwhile, Vogt and Fesenmaier (1998) proposed the components of information needs, such as functional, hedonic, or aesthetic needs, of which functional needs come from consumer’s lack of decision-making knowledge. Consumers want efficiency in purchasing and searching for information search to save time and costs.
2.2. Value propositions within the mobile context

Mobile value means the value retrieved from its mobility (Anckar & D’Incau, 2003), as patterns of use entail new demands, it becomes uncertain what customers value and how much they are willing to pay (Kim, Huh, Song, & Lee, 2021). Thus, value propositions in the mobile context must be understood to reflect the relationship between suppliers and customer needs (Li et al., 2021). For instance, Clarke (2001) proposed unique value proposition aspects related to m-commerce, such as ubiquity and personalization. Ultimately, personalization considers value propositions on the basis of individual preferences. Furthermore, Anckar and D’Incau (2003) revealed the key value proposition of m-commerce, namely, flexibility, convenience, and ubiquity.

The researchers addressed the importance of contextuality relevance: the distinctive feature of mobile commerce is the significance of the consumer’s location and situation. They identified that mobile value arises from the chance to meet the spontaneous and time-critical needs of consumers. Time-critical situations are where immediacy is necessary, which denotes the importance of mobile device connectivity because it enables on-demand solutions. However, many needs arise and are satisfied spontaneously rather than being carefully planned. Contrary to time-critical aspects, spontaneous aspects refer to the internal intention. In addition, Åkesson (2007) added a fifth aspect of value proposition, socialization to Clarke’s (2001) concept for value propositions from the interview with suppliers. Socialization means people’s willingness to share information with a larger community to be seen (Åkesson, 2007). Although some academic researchers identified that one of the five aspects, ubiquity, does not come out as a distinct aspect during the analysis of the user perceptions of value proposition, Scornavacca and Barnes (2008) included ubiquitous access as the most critical and unique value proposition of mobile services.

Academic researchers also asserted that mobile services allow users to maintain communication with others while traveling. Furthermore, a productivity enabler and positive image are considered value propositions identified (Kim et al., 2021). Productivity enabler indicates that mobile services enable users to achieve tasks flexibly and efficiently. Although a few researchers, such as Clarke (2001) and Anckar and D’Incau (2003), addressed mobile value propositions, literature on value propositions in mobile businesses, especially studies with a tourism perspective, remains limited. In line with the contention of similarities and differences in the perspectives of value provided by mobile services,
Anckar and D’Incau (2003) emphasized the importance of a consumer-centric approach to developing m-commerce strategies. To make strategic decisions and accomplish the best outcomes, value propositions from the consumer’s view must be created. However, whether the value propositions in literature have been considered from consumers’ view remains a question.

2.3. Consumer’s perceived value

The concept of perceived value emerged through relational exchanges as transactions (Holbrook, 2000). Different definitions of perceived value were proposed in marketing research (Holbrook, 2000; Kim et al., 2021; Woodruff, 1997). For example, according to Parasuraman (1997), perceived value is considered a subjective construct, which alters among customers. Perceived value can also be considered a trade-off between perceived benefits and costs from consumers’ perspectives (Lovelock, 1996). Intrinsic (i.e., the feelings of product or service) and extrinsic (i.e., the reputation of a product or service) aspects are connected with perceived quality, whereas perceived monetary price refers to the actual price paid, which is negatively connected to perceived quality.

Perceived value is the utilitarian and behavioral perspectives of perceived value (Boksberger & Melsen, 2011). The utilitarian perspective refers to the trade-off between the utility of using a service and the disutility of utilizing the service (Ostrom & Iacobucci, 1995). In reference to the behavioral perspective of perceived values, Zeithaml (1988) examined four dimensions, including the low price, anything a person wants in a product, the comparison of the product/service quality with the price paid, and the value that the consumer obtains for the price that they give. Sánchez-Fernández and Iniesta-Bonillo (2007) defined Zeithaml’s approach as means-end theory, which has a theoretical and conceptual foundation that links the values of consumers and the decision-making processes regarding consumption.

In addition, Sheth, Newman, & Gross (1991) suggested the categorization of consumption value while analyzing consumers’ purchase decisions, selection between two products, and choosing a brand for a certain product. The aforementioned forms of value are classified as functional, social, emotional, epistemic, and conditional values (Table 1). Functional value mainly denotes the function that a product can perform. Social value mainly refers to an image that is identical to the norms of consumers’ friends and relatives. Emotional value is concerned with diverse affective states, either affirmative or negative. Epistemic value is related
to a desire for knowledge, such as the pursuit of novelty. Last, conditional value shows that some choices depend on different situations faced by consumers.

Table 1. Consumption value theory

<table>
<thead>
<tr>
<th>Value</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Functional value</td>
<td>Perceived utility via the possession of salient functional, utilitarian, or physical attributes</td>
</tr>
<tr>
<td>Social value</td>
<td>Perceived utility via the association with positively or negatively stereotyped demographic, socioeconomic, and cultural-ethnic groups</td>
</tr>
<tr>
<td>Emotional value</td>
<td>Perceived utility via the creation of feelings</td>
</tr>
<tr>
<td>Epistemic value</td>
<td>Perceived utility via the arousal of curiosity, the provision of novelty, and/or satisfaction of a desire for knowledge</td>
</tr>
<tr>
<td>Conditional value</td>
<td>Perceived utility via the presence of antecedent physical or social contingencies</td>
</tr>
</tbody>
</table>


Even though consumption can generate utilitarian and hedonic outcomes (Sameeni, Ahmad, & Filieri, 2022), the hedonic module of the consumption experience has been limitedly studied until the early 1980s (Hirschman & Holbrook, 1982). In the early 2000s, Holbrook (2000) suggested a 3D typology of consumer value, namely, extrinsic versus intrinsic, self-oriented versus other-oriented, and active versus reactive. The aforementioned three distinctions include eight types of value, that is, efficiency, play, excellence, aesthetics, status, ethics, esteem, and spiritual values, which normally occur simultaneously during the consumption experience. As a result, the relationships among customer value co-creation behavior, consumer perceptions, and acquisition decisions are considered of great importance for smartphone-based destination marketing (Meilhan, 2019). Nevertheless, Graessley, Horak, Kovacova, Valaskova, and Poliak (2019) investigated the attitudes and behaviors of consumers within the context of sharing economy driven by technology. Furthermore, the relationships among consumer choice, cognitive attitudes, and purchasing habits have also been investigated (Drugău-Constantin, 2019; Mirica, 2019). To provide a deep understanding of consumer cognition in consumers’ decision-making processes, Drugău-Constantin (2019) specifically investigated the purchase decision influencers of U.S. consumers and revealed the function of neuroscience in assessing the incongruity of consumer behavior. In summary, the research question of the present study is what are the value propositions on the smartphone marketing of national tourism organizations? Hence, on the basis of consumption value theory, the present study aims at exploring the value propositions on the smartphone marketing of national tourism organizations and examining tourists’ perceived value regarding smartphone applications for National Tourism Organization (NTO).
3. Research methodology

3.1. Method

An exploratory study was conducted for a rigorous investigation to facilitate the in-depth examination and evaluation of critical issues (Sreejesh, Mohapatra, & Anusree, 2014). This study aims at providing reference for understanding the new phenomenon, smartphone use of tourists for the NTO marketing through smartphones. Considering the values on smartphone services from the NTO and the limited studies from the tourists’ perspective, an exploratory research design was employed to understand all the aspects regarding the values of suppliers (NTOs) and consumers (tourists) on smartphone applications.

Data collection was carried out through in-depth interviews and a focus group interview to effectively gain insights into the social issues to understand consumer experience; and are consistent with the capacity of an individual to make an inquiry (Seidman, 2012).

3.2. In-depth interviews

A pilot test was conducted prior to the in-depth interviews. Before the interview questions were used, one employee from the Hong Kong branch office of the Korea Tourism Organization (KTO) and one consumer with no NTO smartphone application experience were asked to participate in the in-depth pilot interview to evaluate the suitability of the construction of the questions to achieve the study’s objectives. The interview questions were corrected on the basis of the pilot interview’s results and the obtained comments. Interviews were conducted with the NTOs’ employees of different levels, all of whom directly influence the creation and provision of smartphone applications. The interviews used open-ended and in-depth questions. Nine interviewees from two NTOs were carefully chosen. The interviewees are related to the marketing or smartphone service-providing department. Table 2 shows the details of the interview participants from both NTOs.

Ten informants from the tourist side were selected. Table 3 shows the details of the interview participants from the tourist side. Each interview lasted around 60 minutes. Through in-depth interviews with the NTOs and tourists, the NTOs’ value propositions regarding their smartphone marketing and tourists’ perceived values on them were identified.
Table 2. Interview participants and the given code (the NTOs)

<table>
<thead>
<tr>
<th>Position</th>
<th>NTO</th>
<th>Gender</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager</td>
<td>HKTB</td>
<td>Female</td>
<td>HKTB1</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>HKTB</td>
<td>Female</td>
<td>HKTB2</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>HKTB</td>
<td>Female</td>
<td>HKTB3</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>KTO</td>
<td>Female</td>
<td>KTO1</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>KTO</td>
<td>Female</td>
<td>KTO2</td>
</tr>
<tr>
<td>Manager</td>
<td>KTO</td>
<td>Male</td>
<td>KTO3</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>KTO</td>
<td>Male</td>
<td>KTO4</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>KTO</td>
<td>Male</td>
<td>KTO5</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>KTO</td>
<td>Male</td>
<td>KTO6</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>9</td>
</tr>
</tbody>
</table>

Table 3. Interview participants and the given code (tourists)

<table>
<thead>
<tr>
<th>Nationality</th>
<th>Destination</th>
<th>Gender</th>
<th>Age</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>HK</td>
<td>Female</td>
<td>37</td>
<td>H1</td>
</tr>
<tr>
<td>Indonesia</td>
<td>HK</td>
<td>Male</td>
<td>27</td>
<td>H2</td>
</tr>
<tr>
<td>Denmark</td>
<td>HK</td>
<td>Male</td>
<td>28</td>
<td>H3</td>
</tr>
<tr>
<td>Canada</td>
<td>HK</td>
<td>Male</td>
<td>36</td>
<td>H4</td>
</tr>
<tr>
<td>Thailand</td>
<td>HK</td>
<td>Female</td>
<td>37</td>
<td>H5</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>SK</td>
<td>Female</td>
<td>34</td>
<td>K1</td>
</tr>
<tr>
<td>Spain</td>
<td>SK</td>
<td>Male</td>
<td>30</td>
<td>K2</td>
</tr>
<tr>
<td>USA</td>
<td>SK</td>
<td>Female</td>
<td>34</td>
<td>K3</td>
</tr>
<tr>
<td>Canada</td>
<td>SK</td>
<td>Female</td>
<td>30</td>
<td>K4</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>SK</td>
<td>Female</td>
<td>30</td>
<td>K5</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>10</td>
</tr>
</tbody>
</table>

Note: HK = Hong Kong; SK = South Korea.

3.3. Focus group interview

Based on the findings from the in-depth interviews with tourists, a focus group interview with the NTO was then conducted to examine the NTO’s viewpoint on the actual perceived values of tourists regarding smartphone applications. A focus group interview is an interview conducted with a small group of people for a specific topic; one group normally includes four to eight participants.

Each focus group interview was conducted for roughly 70 minutes. In the beginning, tourists’ perceived value on smartphone applications of the NTO was provided. Due to the difficulty of inviting all interviewees of the NTOs from two places and considering the adequate number of participants for the focus group interview, the KTO was selected and six people participated (Table 4). Through the focus group interview, the NTO gave ideas about tourist’s perceived values on smartphone applications. Particularly, the NTO provided its comments about discrepancies between the NTO and tourist perceived value and between the
NTOs through which the present study was able to suggest constructive implications for the NTO’s smartphone marketing and contribute to the proposition of the conceptual framework of this study. Thus, a framework, which presents the aspects and relationships of the NTOs’ value propositions and tourists’ perceived values, was suggested.

Table 4. Focus group interview participants and the given code

<table>
<thead>
<tr>
<th>Position</th>
<th>NTO</th>
<th>Gender</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant Manager</td>
<td>KTO</td>
<td>Female</td>
<td>KTO1</td>
</tr>
<tr>
<td>Manager</td>
<td>KTO</td>
<td>Male</td>
<td>KTO3</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>KTO</td>
<td>Male</td>
<td>KTO4</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>KTO</td>
<td>Male</td>
<td>KTO5</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>KTO</td>
<td>Male</td>
<td>KTO6</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>KTO</td>
<td>Male</td>
<td>KTO7</td>
</tr>
<tr>
<td>Total</td>
<td>–</td>
<td>–</td>
<td>6</td>
</tr>
</tbody>
</table>

3.4. Data analysis

The collection of verbatim transcripts based on interview audio records was followed by the data analysis. Thereafter, the interview transcripts were carefully read by the researcher. During the reading, notes and memos from the data analysis were written, and tentative ideas about categories and relationships were developed. Then, coding and thematic analysis were adopted to categorize strategies. Data coding means categorizing/reducing the data into small meaningful segments, assigning names to each segment, combining the codes into larger categories or themes if possible, and finally displaying the analyzed data in graphs and charts (Creswell, 2012).

4. Findings

4.1. Comparison between the value propositions of the Hong Kong Tourism Board and the Korea Tourism Organization

The Hong Kong Tourism Board (HKTB) provides tourists information through several applications that were previously developed and offers itinerary planning via My Hong Kong Guide where tourists share their travel experiences. Meanwhile, the Korea Tourism Organization (KTO)’s Visitkorea application
provides travel information on attractions, accommodations, shopping, and navigation, and The Smart Tour Guide offers new and interesting stories about Korea.

The KTO mentioned convenience most frequently for its value propositions. When convenience was mentioned, accessibility was described together. Second, the frequently mentioned value was safety. Reliability, accuracy, and a sense of security were expressed together with safety. Practicality and usefulness are also one of value propositions of the KTO. Meanwhile, The Smart Tour Guide’s values are convenience and satisfaction deriving from discovering fun and gaining new understanding while listening to the stories. Visitkorea and The Smart Tour Guide have functional values and convenience common in their value propositions. However, the elements of the performance were not described as value propositions by the KTO. Similarly, the elements of the performance are not included in the HKTB’s value propositions. Tourists want applications to be fast enough and have a stable internet connection to avoid inconvenience and interruption in their enjoyment. Thus, both NTOs should consider the technological aspect carefully when setting the value propositions of smartphone applications. Interestingly, some of the HKTB’s benefits are ease of use, comprehensiveness, engagement, fun, and exploration, which are dissimilar to those of the KTO. Meanwhile, convenience, satisfaction, and accuracy are common values proposed by both NTOs (Figure 1).

**Figure 1.** Comparison between HKTB and KTO values
4.2. Perceived value of Hong Kong Tourists

Tourists’ needs on HKTB’s smartphone applications were mostly reflected in obtaining information about the destination, such as destinations to visit and activities. A few interviewees emphasized the importance of map information, such as transportation or navigation. Similar to Korea’s tourists, most of them focus on functional needs in which smartphone applications help tourists decide where to go and what to look at when they lack the knowledge to make a decision. Interviewees’ expectations on HKTB’s smartphone applications were convenience, ease of use, and speed, which are similar to those of the KTO. Interestingly, some interviewees expected reliability, fun, and attractive design. Tourists may have the desire to enhance their travel experience with smartphone applications from hedonic and aesthetic needs to functional needs. Unlike the similarity of information needs and expectations between users of KTO and HKTB applications, tourists who have used HKTB’s smartphone applications have positive and negative values about the applications. Customer value is reflected in a more holistic view on quality, which is a subjective evaluation of the positive and negative consequences of using a service or a product (Sahebi, Kordheydari, & Aghaei, 2022). In terms of positive values, tourists felt useful, easy, and fun when they used the applications. Some of them thought the application is designed well. One interviewee perceived the application encourages exploration. However, tourists complained about the lack of information. Tourists perceived inconvenience due to the multiple web pages they are required to visit and limited information. In addition, tourists thought the application is slow and has an unstable connection. Several interviewees criticized the application’s log-in and journal function, as the journal writing function should be created in a journal application, not in the NTO’s application, and added its supplier-oriented perspective. Overall, the HKTB may have failed to understand its target’s needs accordingly.

4.3. Perceived value of Korean tourists

Information needs of Korean tourists are mainly functional needs. They want to obtain fast and quick travel information about Korea. Particularly, they are fond of location information, such as directions. The interviewees use smartphone applications when they need the knowledge to decide where to go and find out where it is. The interviewees’ expectations on smartphone applica-
tions agree with their needs. Their expectations on smartphone applications are fast, short, clear, straightforward, and easy information. Their key perceived values are convenience, ease of use, usefulness, and efficiency. Sheth et al. (1991) proposed that functional value is efficient task fulfillment, which relates to monetary value. Effective task fulfillment has been described as convenience or ease of use. Thus, functional value can be referred to two values: monetary value and convenience value (Pura, 2005). It suggests that the interviewees’ perceived values are closely related to their information needs and expectations because convenience, ease of use, usefulness, and efficiency have functional aspects (Figure 2).

**Figure 2.** Relationship between information needs, expectations, and perceived values of Korean tourists

<table>
<thead>
<tr>
<th>Information needs</th>
<th>Functional needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fast, quick information</td>
<td>Convenient, ease of use, usefulness, efficiency</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expectations</th>
<th>Perceived values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short, clear, straightforward, easy information</td>
<td>Convenient, ease of use, usefulness, efficiency</td>
</tr>
<tr>
<td>Being fast</td>
<td>Quickness</td>
</tr>
</tbody>
</table>

| | Good design |
| | Safety |

5. Discussion

In terms of the comparison between the value propositions of the Hong Kong Tourism Board and the Korea Tourism Organization, findings show that clear discrepancies exist between the KTO and the HKTB, which can be explained by the experience hierarchy advocated by Neuhofer, Buhalis, and Ladkins’ (2013). Explored experience mainly includes technology-assisted/enhanced/empowered expe-
rience. Technology-assisted experience is a level where technologies are considered a facilitator of the tourism experience of consumers in assisting the consumers in accessing technologies for information and communication. However, interaction among tourists or the co-creation of consumers cannot be achieved. Consequently, technology-enhanced experiences utilize Web 2.0 to encourage consumers to participate and create their own experiences. Consumers can then use social media to interact with their friends and relatives and share their travel experiences. Last, technology-empowered experience is the level where technology is pervasive throughout the phases of travel and service encounters. The KTO may be situated mostly at Level 2, technology-assisted experience, whereas the HKTB may be positioned mostly at Level 3, technology-enhanced experience.

In reference to the perceived value of Hong Kong tourists, the relationship between information needs, expectations, and perceived values of Hong Kong tourists is summarized in Figure 3. Results show that tourists’ information needs affect their expectations and perceived values; tourists’ information needs are functional needs, which result in the functional aspects of expectations and perceived values. However, tourists also feel inconvenience and inefficiency, which do not meet their expectations and needs. Meanwhile, interviewees have expectations on fun, although it is not the main expectation identified. Moreover, interviewees perceive the value of exploring and fun. However, functional aspects are more substantial for HKTB’s smartphone applications because the NTO’s applications are adopted by tourists to gain information. HKTB’s applications can be described as purpose-oriented applications rather than experiential services. Similar to the fun element, the interviewees have aesthetic aspects, designed on their expectations, and perceived values. According to Shin (2012), smartphone consumers seek aesthetic aspects in addition to usability. Therefore, not only functional needs but also the aesthetic aspect must be considered to meet consumers’ visual needs, and aesthetic value is related to enjoyment, whereas usability is related to quality. Moreover, one of their expectations is swiftness. However, they are not content with the application’s performance because the application is slow. HKTB may not serve tourists’ needs on smartphone applications well because performance is the way organizations work by concentrating on the activities to serve the customers well while pursuing profit (Barnes, Blake, & Pinder, 2009). Last, reliability is one of the tourists’ expectations, but it does not correspond to any value perceived. Given that the applications are provided by an official organization, tourists expect this value. However, they do not feel such value after they use the applications.
Regarding the perceived value of Korean tourists, findings show that despite task fulfillment, convenience is the main attractive point for consumers to adopt mobile technology as perceived values may affect actual usage or behavioral intention to use smartphone applications. In addition, interviewees perceive that the application’s design is good, which refers to the aesthetic value. Moreover, tourists feel safe and cared for and thus are satisfied with the trip by using KTO’s applications. Organizational trust enhances consumers’ satisfaction and can influence consumers to accept marketing via mobile (Jayawardhena, Kuckertz, Karjaluoto, & Kautonen, 2009). Recently, affected by Coronavirus disease 2019 (COVID-19), Watson and Popescu (2021) pointed out that COVID-19 reshaped the values and expectations of tourists by investigating 9,200 respondents. Rydell and Kucera (2021) revealed that the COVID-19 outbreak limits the purchase behavior (e.g., choice options) of consumers, and how to reduce the perceived risk of the virus should be paid particular attention to. Since tourists’ per-
ceived values on smartphone applications are closely related to their information needs and expectations, tourists’ needs and expectations must be examined to propose values effectively based on the constantly changing environment.

On the basis of the findings of the present study, a conceptual framework was proposed (Figure 4). From the NTO’s value propositions with their smartphone applications, tourists may perceive values that are reciprocal with the NTO’s value propositions: good design, convenience, ease of use, usefulness, efficiency, accuracy, and engagement. The NTO’s efforts in understanding tourists’ needs and applying them to their marketing strategy will enhance people’s tourism experience. Furthermore, tourists’ perceived value may enhance the NTO’s construction of their value propositions.

**Figure 4.** Proposed conceptual framework
6. Conclusions

6.1. Theoretical contributions

Theoretically, on the basis of consumption value theory, the present study enriches the literature on smartphone marketing in the tourism context. The five values of the theory are functional, social, emotional, epistemic, and conditional values. Three new values, technological, organizational, and user experience values have been added to the NTO’s value propositions and particularly, innovative value has been excluded from the conceptual framework because an application should lower the fear of tourists when visiting an unknown place and thus, tourists may not feel any benefit from the NTO’s smartphone applications’ innovative aspect. Results of the present study demonstrate supplier’s value propositions and the perceived values of tourists by adopting smartphone applications. In addition, the present study suggests a new conceptual framework for smartphone marketing in terms of perceived values. Thus, the present study identified the NTO’s specific value propositions and provides a reference for the NTOs to develop consumer-centric marketing with smartphone applications.

6.2. Managerial contributions

Practically, the findings of the present study can improve the understanding and practice of smartphone tourism marketing. Specifically, the results can serve as a guideline for the NTO to identify the value aspects that match tourists’ needs and adapt them to its smartphone marketing. Particularly, Hong Kong and Korea have been chosen as samples of the NTO considering the growth rate in the tourism market and the volume of smartphone application provision. Exploring these two contrasting destinations broadens the study’s perspective and provides practical and constructive implications.

The NTOs should not overlook the importance of the technological performance of smartphone applications because the technological aspect is not only the basic consideration but also one of the most critical values as tourists want to use smartphone applications anytime and anywhere. This need for convenience inevitably requires applications to have good technological performance, such as application connection stability or connection speed. Furthermore, this study suggests that the NTO should focus on technology-friendly applications rather than innovative ones. Traveling naturally involves fear brought by visiting un-
known places and thus an application should lower these emotional walls of tourists. Tourism applications must provide services that tourists can level with. Technology involvement should be a step behind until most tourists are ready to adopt it and feel easy to use it because of tourism’s nature.

Finally, the NTOs should be considerate when they adopt social media into smartphone applications. Particularly, tourists who do not look like enjoying sharing their travel experience by using the NTO’s smartphone applications. Moreover, it may be crucial to obtain information from social media rather than sharing their experience during travel. To share or recollect tourism experiences, tourists tend to use social media applications because they think each application has its own purpose and role: the NTO’s smartphone applications for obtaining information and social media applications for sharing their travel experiences. Therefore, this study suggests that the NTOs must integrate social media into their smartphone applications to provide tourism experience information. Consequently, all this information will turn into a fun experience, and ultimately, smartphone applications and travel itself can have hedonic value.

Conclusively, due to the increasing number of destination marketing organizations attempting to adopt smartphone marketing strategies in the highly competitive market, the present study examined the value propositions of the NTO on smartphone marketing and the value perceptions of tourists regarding the smartphone applications of the NTO using Hong Kong and South Korea as examples. Through in-depth and focus group interviews, the present study proposed a new framework by extending the consumption value theory. The findings of the present study also provide valuable insights into tourism organizations for smart tourism marketing.

6.3. Limitations and future research

The present study has some limitations. The first is the generalization of the results, as the current study is an exploratory study and the results are based on purely qualitative methods by utilizing in-depth interviews and focus group interviews. Thus, the implications will be mainly applied to both analyzed entities, whether the results can be generalized remains unclear. Hence, future studies can apply a quantitative method to test the reliability and validity. Second, as the present study only investigated the NTOs, the results may not be applicable to other tourism organizations, such as hotels, airlines, and travel agencies due to different organizational settings and business objectives. Thus, future studies can expand the samples to other countries or regions for more comprehensive value propositions.
Funding

This research was partly supported by a research grant funded by the University of Macau.

Disclosure statement

No potential conflict of interest was reported by the author(s).

References


