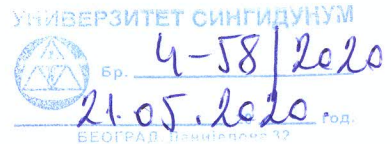


SINGIDUNUM UNIVERSITY
Department for postgraduate studies
32 Danijelova Str., Belgrade



Based on the decision of the Council of the Department of Postgraduate Studies No. 4-108/2018 from June 29, 2018, we have been appointed as members of the Commission for evaluation and defense of the doctoral dissertation of the candidate Milivoj Teodorović entitled "The Impact of Sustainability on Destination Brand Equity", about which we submit the following

R E P O R T

1. Biography of the PhD Candidate

Ph.D. candidate **Milivoj Teodorović**, MBA, was born on January 3, 1956, in Belgrade. He earned a Bachelor of Arts in Aerospace Engineering at University of Belgrade (1982), a Master of Science in Engineering at the University of Michigan, Ann Harbour (1986), and a Master of Business Administration at the Eastern Michigan University, Ypsilanti (1993). Mr. Teodorović was a Ph.D. student at Singidunum University, study program Tourism Management, from 2015. He passed all exams with an average mark – 10.

Employment history: International Business College Mitrovica, Kosovska Mitrovica (partner with University College Lillebealt, Denmark), professor of Marketing and Management (2012-2014), Xsell International d.o.o., Belgrade, Director of Sales and marketing (2004-2012); Internet Corporation, Troy, Michigan, USA, Marketing Product Planner (1999-2004), Xsell Sports, Ann Arbor, Michigan, USA, Director of Sales and Marketing (1993-1999), Gelman Sciences, Ann Arbor, Michigan, USA, Marketing Analyst (1990-1993)

The candidate has the following published papers of category M24, which fulfills the prerequisite for the defense of the doctoral dissertation:

Teodorović, M., Popesku, J., Pavlović, D. (2019). Perceptual landscape of the Serbian domestic tourism market. *Industrija* 47 (1), pp. 23-42. M24. DOI: 10.5937/industrija47-20002. <https://scindeks-clanci.ceon.rs/data/pdf/0350-0373/2019/0350-03731901023T.pdf>

Teodorović, M., Popesku, J., Pavlović, D. (----). Building a domestic brand: A case of Serbia. *Teme*. M24. The paper is accepted for publishing (Letter of acceptance by the Editorial board, No. 500-72-003/19-007 of June 12, 2019).

Journal publications:

Teodorović, M., Popesku, J. (2016). Country Brand Equity Model: Sustainability Perspective, *Marketing*, Vol 47, No 2, pp 111-128, **M51**

Teodorović, M. J. Popesku — Serbia's Competitive Position in the Regional Tourism Destination Market, *The European Journal of Applied Economics*, Vol. 14, No. 1, pp 1-12, **M52**

Teodorović, M. (2013). Impact of VAT on Growth and Profitability of the Fast-Growing Companies, *Economy and Market Communication Review*, Vol. 3 No. 2, pp 323-336. **M53**

Conference presentations:

Popesku, J., Teodorović, M. (2017) *Aspirational Segment as an Opportunity for Serbia's Tourism Products*, Proceedings of Hotelska kuća 2017, Zlatibor, Serbia, November 2017

Teodorović, M. (*Building Strong Brands in a Modern Sustainable Environment*, Proceedings of IAC-MEM 2015, Vienna, November 2015.

M. Teodorović, *Sustainability and Differential Effect in the Consumer-Based Brand Equity*, EDASOL, Banja Luka, Bosnia and Herzegovina, October 2015.

M. Teodorović, *Sustainability as a Source for Consumer-Based Brand Equity*, Proceedings of IAC-MEM 2015: International Academic Conference on Management, Budapest, July 2015.

M. Teodorović, *Impact of Sustainability on Brand Positioning and Value* Proceedings: 5th Eastern European Economic and Social Development Conference on Social Responsibility, Belgrade, May 2015.

Candidate Milivoj Teodorović's doctoral dissertation was done on a total of 204 pages, of which 34 pages are a list of literature, a list of tables, figures, and graphs, as well as attachments. The bibliography includes 430 references consisting of scientific papers, books, collections of papers, legal regulations as well as electronic sources. In addition to the basic text, the dissertation contains 42 tables and 27 figures.

Candidate Milivoj Teodorović's doctoral dissertation was tested with overlap/plagiarism detection software (iThenticate Plagiarism Detection Software). The total percentage of observed overlaps is 16% of the dissertation (with References included) and 6% (with References excluded). Dual presentation of percentages is needed because it was not possible for the software to exclude References during the test. Each unit identified in the overlap/plagiarism check report (6% result) as a possible source (87 in total) is less than 1% of the total work, except for two which are estimated at 1% (435 and 426 words). The predominant number of total established overlaps refers to the text within the tables, graphs, and figures in the text, which the candidate used when citing sources for certain claims and with citations in the dissertation. The remaining part of the overlap refers to periodic words and expressions

that are generally accepted and used in the academic expression in various fields and cannot be considered plagiarism. The part of the dissertation related to the research and analysis of the results does not have overlaps that can be considered plagiarism, which indicates the originality of the research. Accordingly, the general assessment of the use of the references is positive.

2. Subject and goal of the research

The intention of the research in this thesis is to explore the interaction and impact that elements of sustainable destination development have on tourism destination brand equity. The main purpose of this thesis is to expand research effort and wider scientific knowledge on the influence of the elements of destination sustainability on the elements of destination brand equity as well as on the value of destination brand equity. The thesis is oriented towards establishing a theoretical model by conceptualizing elements of destination brand equity: awareness, image, quality, and loyalty as well as the elements of the destination sustainability: economic, social, and environmental into one model.

The major scientific goal was that sustainability has a positive impact on destination brand equity as well as that in the long run destination and sustainable development are in fact one process. Further, the scientific objective of the study is to facilitate understandings of the causal relationships between the underlying elements of social, economic, and environmental on one hand, and the elements of the destination brand equity.

The thesis tested the applicability of the proxy indicators of the global databases for statistical evaluation and using the exploratory factor analysis, confirmatory factor analysis, and path analysis. The thesis proposes the major research question: Would it be possible to develop a measurement instrument that will evaluate the impact of the universally accepted, multidimensional, deterministic and comprehensive elements of the sustainable development represented by the economic, social and environmental factors on the highly complex, heterogeneous, dynamic, unique and perceptual tourism destination brand equity based on the proposed model and to prove that in the long run, they become the parallel development process.

The major social and stakeholder goals behind the impact of sustainability on the destination brand equity development are in understanding of the tourism destination development effort on all levels including local, regional, country and global in order to provide a basis for a destination development framework that will make destinations more competitive, attractive and desirable by the everchanging requirements of the visitors.

3. Hypotheses Development

The primary hypotheses that capture the essence of the thesis are:

H1: There is a significant positive impact of tourism destination sustainability on tourism destination brand equity.

H2: Tourism destination sustainability development and tourism destination brand equity development are two parallel processes that merge to become one process in the long run.

The supporting hypotheses addressed in this thesis are:

H3: Economic sustainability has a positive impact on the destination awareness.

H4: Social sustainability has a positive impact on the destination awareness.

H5: Environmental sustainability has a positive impact on the destination awareness.

H6: Economic sustainability has a positive impact on the destination image.

H7: Social sustainability has a positive impact on the destination image.

H8: Environmental sustainability has a positive impact on the destination image.

H9: Economic sustainability has a positive impact on the destination quality.

H10: Social sustainability has a positive impact on the destination quality.

H11: Environmental sustainability has a positive impact on the destination quality.

H12: Economic sustainability has a positive impact on the destination loyalty.

H13: Social sustainability has a positive impact on the destination loyalty.

H14: Environmental sustainability has a positive impact on the destination loyalty.

4. Methodology of the research

Various scientific methods were applied in order to meet the scientific and social goals of the research. The thesis adopts the post-positivistic methodology since it follows the common approach in the social scientific empirical research, including tourism and the holistic marketing and branding studies. In other words, the prior theoretical considerations and

conclusions are the bases for the hypothesis. The causal relationship between multi-dimensional model constructs is operationalized using multivariate statistics.

The research was divided into five stages:

1. Literature review and development of the theoretical model for evaluation of the causal relationship between the elements of sustainability and tourism destination brand equity.
2. Development of the tourism destination-specific sustainability measurement scale
3. Development of the tourism destination-specific brand equity measurement scale
4. Establishing composite reliability and discriminatory validity of the measurement model
5. Establishing causal relations between the constructs of the proposed utilizing a multivariate statistical technique

The study in the thesis uses the results of the proposed model validation for both global indicators and the case of Serbia. The global indicators are used for the period of 2015-2018 as proxies of the constructs of the measurement model. On the other hand, to increase the robustness of the proposed model cross-validated on a survey data of a case Serbia is analyzed. Cross-validation of the model is done using the two different sets of data is intended to show the empirical robustness, validity, and reliability of the proposed model.

5. Overview of the content of the doctoral dissertation

The thesis consists of eight chapters.

Chapter 1 introduces the basis for the research goals by elaborating on the pragmatic and theoretical gaps, that will serve as the background for the research study implemented in the thesis.

Chapter 2 discusses the theoretical background of sustainability of tourism destinations, shows a theoretical link with the destination brand equity development and destination sustainability development and provides a theoretical background of the impact of tourism destination sustainability on tourism destination brand equity.

Chapter 3 outlines the historical overview of the brand equity concept and its application in tourism destination development. The chapter formally introduces the theoretical model that captures the causal relationships between the elements of the destination sustainability model and destination brand equity model.

Chapter 4 formally presents the theoretical framework behind the formation of the model by introducing the theoretical structure of the model and corresponding dimensions. Also, the

chapter outlines the development of the literature-based hypothesis and reviews the development of the tourism destination brand equity from the country perspective.

The statistical methodology for the analysis is elaborated in Chapter 5. In this chapter, the strategy for the development of research instruments is presented, and data collection and preparations are explained. In addition, multivariate statistics is introduced and the structural equation modeling (SEM) technique is explained in detail.

In Chapter 6 the global case is tested based on quantitative proxy indicators and evaluated using exploratory factor analysis and confirmatory factor analysis. The causal relationships are confirmed using the structural equation modeling technique (SEM).

Chapter 7 tests the case of Serbia based on the survey data of foreign tourists visiting Serbia. The results are presented and tested for threshold values and composite reliability (CR), convergent, and discriminatory validity is established. Causal or hypothesized relationships among the elements of the proposed model are measured, tested, evaluated, and confirmed using structural equation modelling (SEM).

Chapter 8 discusses the future research initiatives as well as research limitations, results of the study and the practical, managerial, and theoretical significance of the work presented in this thesis.

6. Achieved results and research significance of the thesis

The primary goal of the thesis was to confirm that sustainable destination development impacts destination brand equity. The second goal of the study was to prove that sustainable development of a destination and destination brand equity development effort could become one process in the long run. In that regard, the thesis proves the similarity of the two processes by using the correlational relationship between the second-order elements in SEM (structural equation modelling) analysis of both destination brand equity and destination sustainability. The SEM analysis shows that destination sustainability and destination brand equity are highly correlated, indicating that one construct is significantly explained by the other and vice-versa. Moreover, in the SEM, the relationship between two exogenous variables is both correlational and causal. This confirms that destination sustainability and destination brand equity are dependent on each other in the long run. For the theoretical evaluation and consideration, this thesis proposes a multidimensional conceptual model for statistical testing and confirmation. Based on the proposed multidimensional model, the study unifies the previous empirical findings outlined in the research literature.

The thesis adopts Aaker's customer-base brand equity model consisting of four elements: destination awareness, destination image, destination quality, and destination loyalty. Also, the thesis uses economic, social, and environmental elements for sustainability as a part of the proposed model. The elements of the model are operationalized based on the two data sources: global and Serbia. Both the global and case of Serbia confirm the first two major

hypotheses. The global case confirms ten out of fourteen hypotheses while all fourteen hypotheses are confirmed in the case of Serbia. The global case could not confirm the impact of environmental sustainability on destination loyalty and the impact of economic sustainability on destination awareness, image and quality.

The most important finding of the thesis, which earlier research literature missed covering, is confirmation of the impact that destination sustainability has on destination brand equity. It is confirmed that the changes in the environmental, social and economic factors influence changes in the tourists' perception of the tangible and intangible values of a tourism destination. The second most important finding is that the destination sustainable development and destination brand equity development efforts require the same space, resources, and support. Another very important finding of the thesis is that environmental development and to some degree economic development of a destination must occur under the umbrella of the social sustainability framework. For the tourism destinations to thrive they must impose a legal framework to protect the overuse of the destination resources and provide favorable ground for tourists' experiential consumption of those resources.

The model proposed in the thesis supplies destination managers with an opportunity to develop a tool for evaluating tourism destinations at all levels in managing total destination experience from the tourists' point of view. According to the proposed model, dimensions of destination sustainability drive the value of destination brand equity. This has important managerial implications. For one purpose, destination sustainability dimensions give destination brand equity a critical strategic bridge from the past to the future which is a first step in the formation of the future destination brand value.


The complexity of the proposed model and difficulties in obtaining global and survey data as well as chartering new theoretical fields are the main sources of the limitations of the research in the thesis. The number and operationalization of the relevant global indexes in the global case as well as the number and the formulation of survey questions and, their operationalization in the case Serbia, are the major sources for the limitations in the thesis. The most important limitations are analyzed in the thesis with proposals for future research. In all aspects of future research related to the impact of sustainability on destination brand equity results presented in the thesis could be very important.

7. Opinion of the Commission

The opinion of the Commission is that the doctoral dissertation of the candidate Milivoj Teodorović regarding its topic, approach, structure and content of work, quality and manner of presentation, research methodology, use of bibliography, relevance and quality of research, and conclusions meet the criteria required for a doctoral dissertation. and can be accepted as eligible for public defense.

Considering the overall assessment of the doctoral dissertation done by Milivoj Teodorović under the title “The Impact of Sustainability on Destination Brand Equity“, we propose to the Council of the Department of Postgraduate Studies and the Senate of Singidunum University to accept the above-mentioned doctoral dissertation and approve its public defense.

Belgrade,
May 20, 2020



1. Dr. Danijel Pavlović, ass. professor

2. Dr. Milenko Stanić, professor



3. Dr. Jovan Popesku, professor