

# The Service Imperative:

## Factors Driving Meeting Effectiveness

More than any other factor, service drives satisfaction ratings for meeting participants.

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American businesses spent over \$100 billion in 1997 on business meetings, conferences, and training programs.<sup>1</sup> To meet this demand, hotels and conference centers have made large investments in developing and enhancing meeting space. Competition for the meeting and convention business has tightened, particularly with the emergence of such markets as Las Vegas, Atlanta, and Orlando as viable alternatives to the traditional major-city locations. The meeting business is further pressed by technologies such as distance learning and interactive multimedia. In addition, customers are becoming more concerned with the effectiveness of meetings, and are taking steps to ensure that the money invested in specific programs is well spent.

Increased competition and more-demanding customers mean that careful consideration must be given to the facilities and services provided during meetings, conferences, and training programs. The purpose of the study we discuss in this article is to identify the physical and service-related characteristics of properties that may have an important impact on program and meeting effectiveness. The results should enhance our understanding of the factors customers use to evaluate the quality of the products and services that are offered by hotels and conference centers, and provide guidance for redesigning facilities and revamping services.

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<sup>1</sup> The total is based on combined estimates from the American Society for Training and Development and the International Association of Conference Centers.

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## EXHIBIT 1

## Service-quality priority continuum



$$SQ = [(EM)(I)]_1 + [(EM)(I)]_2 + [(EM)(I)]_3 + \dots + [(EM)(I)]_n$$

SQ = Perceived service quality

EM = Probability of expectations being met

I = Importance of each transaction

(First and last transactions are shown in **boldface**)

Each transaction entails a combination of product and service attributes. The customer judges service quality based on his or her assessment of the transaction as weighted by the balance between product and service attributes. In the case of meetings, as explained in the accompanying article, service attributes weigh relatively heavily. Moreover, first impressions and the recall of the most recent interaction also weigh heavily.

## Services, Products, or Both?

As is the case with many hospital industry transactions, the meeting business combines intangible service with tangible products and facilities. A substantial amount of research conducted in recent years has attempted to assess the differences between service and nonservice organizations. Two findings are particularly germane to the current study. First, from a customer's perspective, all purchases comprise varying degrees of product and service components, whether it is the purchase of an automobile or consuming a take-out dinner.<sup>2</sup> Customers differentiate two major components of a transaction—the commodity portion and the activity portion—and those are each evaluated differently. The activity portion of the transaction seems to be critical to customer satisfaction. Research in the banking industry, for example, has found that many otherwise satisfied customers are unhappy with some nonhuman aspects of their banks. This finding suggests that human contact is a critical determinant of customer satisfaction in some service firms and that satisfaction with human interaction may overcome other technical problems.

The second important research finding is that customers distinguish the concept of "service quality," a global evaluation of an entire service encounter, from "customer satisfaction," which is related to specific, discrete transactions. These individual transactions then have a cumulative effect on the overall evaluation of service quality. Some aspects of the service encounter are going to be more salient and important to each individual customer, and must be satisfied if the overall impression is to be positive. In addition, first

<sup>2</sup> This discussion is an assimilation based on research by H. Shams and C. Hales, "Once More on 'Goods' and 'Services': A Way Out of the Conceptual Jungle," *Quarterly Review of Marketing*, Vol. 14, No. 3 (Spring 1989), pp. 1–5; J. Cronin and S. Taylor, "SERVPERF versus SERVQUAL: Reconciling Performance Based and Perceptions Minus Expectations Measurement of Service Quality," *Journal of Marketing*, Vol. 58 (1994), pp. 125–131; J. Barsky and R. Labagh, "A Strategy for Customer Satisfaction," *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 33, No. 5 (October 1992), pp. 32–40; C. Reeves, D. Bednar, and R. Lawrence, "Back to the Beginning: What Do Customers Care about in Service Firms?," *Quality Management Journal*, Vol. 3, No. 1 (1995), pp. 56–72.

and last transactions will have a disproportionately strong impact on overall perceptions of service quality due to attribution errors caused by first impressions and recall of most recent events.<sup>3</sup> Exhibit 1 illustrates these concepts.

All purchases lie on a continuum with service at one extreme and product at the other. The customer determines the location on this continuum of a given purchase based on perceptions of the relative importance of the service and non-service aspects of that purchase. The purchase includes a number of individual transactions of varying importance that in aggregate constitute the entirety of that purchase. The extent to which these transactions prove satisfactory affects the customer's perceptions of overall service quality. For example, the purchase of an automobile might lie toward the product-oriented end of the continuum due to the importance of tangible features, but buying a car still includes many service attributes that can be relevant to the purchase decision. Thus, the customer could love the car but dislike the dealer (or the other way around). In contrast, the customer's view of an automobile rental would primarily be based on the service aspects of the transaction, even though the customer's final verdict on this transaction would still take into account the physical attributes of the car being rented. In a hotel setting, the activity transactions that constitute an individual's perceptions of service quality might be arrival, check-in, courtesy of wait-staff, and check-out, while the commodity aspects might be the room itself, the view, hotel policies, room cleanliness, and food quality. The selection and weighting of each of these transactions varies from customer to customer and expectations will differ at various types of properties and price points. In this study we will examine both the activity and commodity aspects of service quality for meeting facilities.

**Meeting satisfaction.** As a starting point for this investigation, we first considered the basic

question: *From a property standpoint, what is most important in providing an effective meeting or training program?* The answer, of course, is: *It depends on whom you ask.* A recent study sponsored by the MPI Foundation found exactly that.<sup>4</sup> Meeting professionals, meeting participants, and the corporate managers who arranged for the meetings each had their own view of meetings' effectiveness. For example, meeting planners were concerned with how well the meeting itself func-

Human contact is a critical determinant of customer satisfaction, and when customers are satisfied with the human interaction, they may be forgiving of other problems.

tions and paid particular attention to facilities and arrangements. Training participants, however, were most concerned that the meeting's speakers were well prepared, that the meeting proceeded according to schedule, and that the equipment all worked. Senior management did not judge the actual conduct of the meeting, but instead considered the meeting successful if participants gained knowledge and motivation from the meeting. It is entirely possible, then, that meeting planners may be pleased with the administrative ease by which the program was set up and coordinated, while the participants may be dissatisfied with the meeting facilities or speakers and thus fail to gain any benefit from the experience. Therefore, this examination of facilities and services considers a wide range of criteria and addresses the diverse needs of two customer groups.

### Previous Hospitality Research

In one of the few prior attempts to understand the factors that are important to meeting effectiveness, Renaghan and Kay conducted a study to assess the characteristics meeting planners use

<sup>3</sup> Attribution errors are discussed in detail in: *Attribution: Perceiving the Causes of Behavior*, ed. E. Jones, D. Kanouse, H. Kelley, R. Nisbet, S. Valins, and B. Weiner (Morristown, NJ: General Learning Press, 1979).

<sup>4</sup> Lewis Phillips, *Making Meetings Work: An Analysis of Corporate Meetings* (Dallas: MPI Foundation, 1998).

to select a meeting facility.<sup>5</sup> Based on a qualitative, deductive process, the authors identified a list of five general, facility-related characteristics that were deemed to be critical for an effective meeting. These five factors included the size of the meeting room, the location of breakout rooms, the complexity of the audio-visual equipment, the control of lighting and climate, and price. Then, the authors developed 16 distinctive combinations of these five characteristics and

Other studies' results suggest that there are distinct, identifiable categories of attributes that have a potential effect on customers' overall perceptions of service quality.

asked a sample of meeting planners to indicate on a scale of 0 to 100 how likely they would be to book a meeting in a conference center that offered these characteristics. The higher the rating, the more likely the meeting planner would be to book the meeting. Using conjoint analysis, Renaghan and Kay found that meeting-room size and location of breakout rooms were the most important characteristics for booking meetings, followed by price, AV, and climate and lighting. They further determined that with respect to controlling AV, climate, and lighting the meeting planners expressed concerns about the competence of the staff.

Several related studies have attempted to define the possible criteria by which facilities and services may be evaluated. For example, the widely used SERVQUAL instrument was developed to measure service quality and has been used in several hospitality settings.<sup>6</sup> SERVQUAL assesses five dimensions of service quality: tangi-

bility, or the physical appearance of facilities, personnel, and equipment; reliability in performing the service dependably and accurately; responsiveness in providing prompt service; assurance, or the ability to convey trust and confidence; and empathy, the individualized attention provided to customers. Studies using the SERVQUAL instrument have repeatedly shown that the two most important dimensions in a transaction from a customer perspective are reliability and responsiveness. This finding suggests that these service attributes are important in shaping perceptions of overall service quality and helps provide a general framework for the current study.

In a similar stream of research, Oberoi and Hales attempted to identify factors that influenced customer satisfaction with conference hotels in England.<sup>7</sup> Based on interviews with 30 conference organizers, the researchers identified 54 attributes that might affect customer satisfaction. The attributes included items such as natural daylight in meeting rooms, competitive rates, food quality, clear signs and property information, swimming pool, and immediate response to requests. They then determined that these 54 attributes could be categorized into four primary components describing the service encounter: facilities (16 items), catering (6 items), pricing (7 items), and activities (25 items). A group of meeting and conference organizers was then asked to rate the importance of the 54 attributes of conference hotels. Six of the ten highest-rated attributes were related to the competence and responsiveness of staff, while two of the other four top-ten responses, food quality and cleanliness of facilities, were also greatly affected by staff members' activities. (The remaining two top-ten responses were comfortable seating and comfort of accommodations.) Further analysis revealed that attributes tended to cluster into two general dimensions reminiscent of the continuum we introduced in Exhibit 1: service (functional) and physical (technical) attributes. Oberoi and Hales

<sup>5</sup> L.M. Renaghan and M.Z. Kay, "What Meeting Planners Want: The Conjoint-Analysis Approach," *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 28, No. 1 (May 1987), pp. 67-76.

<sup>6</sup> A. Parasuraman, L. Berry, and V. Zeithaml, "Refinement and Reassessment of the SERVQUAL Scale," *Journal of Retailing*, Vol. 67, No. 4 (1991), pp. 420-450.

<sup>7</sup> U. Oberoi and C. Hales, "Assessing the Quality of the Conference Hotel Service Product: Towards an Empirically Based Model," *Service Industries Journal*, October 1990, pp. 700-721.

then administered the same questionnaire to conference participants to assess their satisfaction with a meeting experience. They found that the evaluation of the functional attributes was strongly related to perceptions of overall service quality, while the technical attributes were unrelated to service-quality perceptions.

The results from these and other studies discussed earlier suggest that there are distinct, identifiable categories of attributes that have a potential effect on overall perceptions of service quality. Further, this research has found that the functional, or service, component of the transaction is more strongly related to overall perceptions of service quality than is the technical, or tangible, component.

### The Current Study

The current study may be viewed as an extension of the work by Oberoi and Hales in that it adopts a similar methodological approach. However, our focus is not on overall customer satisfaction but on identifying a comprehensive set of service and nonservice factors viewed to be the most important attributes provided by meeting facilities in the United States. In addition, our study extends and complements that conducted by Renaghan and Kay by considering a much broader set of factors, including those associated with service elements, and uses data from multiple customer groups, including meeting planners, training professionals, and meeting participants (i.e., trainees).

We conducted the study in three phases. The first phase involved two separate focus groups—one with meeting planners and one with trainers—to identify the factors that might be important to meeting and program effectiveness. For the second phase, we administered a survey to executives and managers who regularly schedule meetings and programs at various facilities to examine the importance of the characteristics identified in Phase 1. The third phase was a replication of Phase 2, this time, however, using data collected from participants in a training program.

**Phase 1: Two focus groups.** We conducted one focus group at a conference center in Atlanta and another in Houston. The Atlanta group

comprised six participants, while the Houston group had seven individuals. Participants' titles included meeting planner, training director, and trainer. The focus groups' purpose was to identify those factors that the participants felt had potential bearing on the effectiveness of meeting and program activities. The open-ended discussions lasted approximately six hours each, and at the conclusion we administered a short questionnaire to obtain summary data. The two groups

It is clear that these respondents felt that safety and security were of utmost importance, a finding that is consistent with surveys of business and leisure travelers.

identified over 200 salient factors that influence meeting effectiveness, but by independently sorting the factors we reduced that list to 50 items. Our sorting, which eliminated redundancy yet retained items that were similar in nature, resulted in nine inductively derived categories. Those are: guest rooms, public area, security, food and beverage, staff, meeting rooms, convenience, recreational amenities, and price and billing. The 50 items in nine categories became the basis for the questionnaire we used in the second and third phases of the study.

**Phase 2: 50 items.** *Training* magazine provided the authors a mailing list of meeting planners and human-resources professionals. A random sample of 76 respondents completed the survey with the 50 items identified in Phase 1. The survey was accompanied by a cover letter describing the purpose of the study. We collected demographic information about the respondents and assured them of their anonymity. Exhibit 2 (on the next page) presents the 50 items and the mean rating for each divided into critical, moderate, and low importance. (This was done subjectively, using discontinuity and a distribution of the means for each item. The means for each category differed at  $p < .05$ .)

From this analysis it is clear that these respondents felt that safety and security were of utmost

## EXHIBIT 2

## Critical aspects of a meeting, as judged by meeting planners

## Critical importance (scale of 1 to 5)

The property is free from security risks.	4.87
Participants will feel at ease walking alone on the premises day or night.	4.82
Guest rooms are clean, fresh, and well maintained.	4.75
Staff members are well mannered and courteous.	4.71
Rest rooms are clean and have adequate capacity.	4.70
The temperature and climate of the meeting rooms is comfortable and controllable.	4.70
Audio-visual equipment and other materials are available and functional.	4.68
Meeting rooms are of the appropriate size for the group.	4.67
Staff members are willing to go the extra step to make a meeting successful.	4.67
Immediate and attentive assistance is provided throughout a meeting or program.	4.64
Tables and chairs in the meeting rooms are comfortable and well constructed.	4.64
Meeting rooms have adequate and variable lighting.	4.63
Staff members provide prompt and knowledgeable responses when necessary.	4.62
Meeting cost is competitive with similar facilities.	4.62
Actual meeting cost is very close to pre-meeting estimate.	4.62
Staff members are pleasant and friendly.	4.61
Direct billing is available and hassle-free.	4.58
Bills are easy to audit after the meeting.	4.54
One primary person is responsible for coordinating all elements of a meeting or program.	4.54
Size and layout of guest rooms are adequate for the purpose of the meeting or function.	4.51

## Moderate importance

Quality of food is excellent.	4.47
Food is available at convenient times.	4.47
Meeting rooms are kept clean of cups, refuse, etc. during the day.	4.47
The lobby and public areas are clean, fresh, and well maintained.	4.45

Parking is convenient and adequate.	4.43
Walls are capable of posting materials and information when needed.	4.42
Meeting rooms are soundproof.	4.41
Staff members are proficient in instructing participants on the use of technical equipment.	4.39
The distance to and from the airport is reasonable (under one hour).	4.37
Meeting can be budgeted precisely in advance.	4.37
Refreshment breaks offer a variety of F&B items.	4.36
Guest rooms have work space, desks, lighting, and access to technical equipment.	4.36
Meeting registration is easy and efficient.	4.36
Directional signs on the property are clear and well placed.	4.32
There is sufficient quantity of food.	4.32
Breakout rooms are available and sufficient in size and quantity.	4.29
The property has a business center.	4.26

## Low importance

The recreational facilities do not encroach on meeting facilities.	4.17
Group dining is available.	4.13
A central conferences services desk is available for questions and problems.	4.05
Participants may leave materials in the meeting rooms overnight if necessary.	4.04
Message boards and TV monitors are readable and well placed.	3.89
Property offers a pre-selected menu for <i>à la carte</i> dining or buffets.	3.86
Complete meeting packages are available for a single rate.	3.84
Fitness facilities and amenities are available (e.g., tennis, swimming, and golf).	3.71
The property décor is up-to-date and consistent throughout.	3.63
The grounds are maintained in a tasteful manner.	3.57
All-inclusive meal plans are offered.	3.53
The facility is located close to our organization.	3.11
There are recreational and social activities for spouses.	3.07

Note: The means for the classification categories critical, moderate, and low importance are statistically significantly different.

importance, a finding that is consistent with surveys of business and leisure travelers.<sup>8</sup> The other factors of critical importance fall into four major categories: cleanliness of facilities, competence of staff, sensory attributes of meeting space (e.g., temperature), and accuracy and efficiency of billing pro-

cedures. Of moderate importance are food and beverage, convenience, and physical attributes of the meeting space. Those attributes judged to be of lowest importance include complete meeting packages, décor, and amenities.

**Phase 3: 80 employees.** The third phase of the study involved 80 employees of a large transportation firm who were participating in a management-development program at a southeastern-U.S. conference center. About three weeks before the program began, we gave trainees a questionnaire asking them to rate the importance of the items described in

<sup>8</sup> For example, a 1998 study by the Travel Group/Total Research Corporation of 216 women business travelers found that the main concern was a need for personal safety. See: Glenn Withiam, "Studying Women Business Travelers," *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 39, No. 4 (August 1998), p. 8.

## EXHIBIT 3

## Critical aspects of a meeting, as judged by participants

## Critical importance (scale of 1 to 7)

Participants will feel at ease walking alone on the premises day or night.	6.53
Staff members are willing to go the extra step to make a meeting successful.	6.49
Staff members are pleasant and friendly.	6.41
Staff members provide prompt and knowledgeable responses when necessary.	6.36
The property is free from security risks.	6.35
Guest rooms are clean, fresh, and well maintained.	6.35
Staff members are proficient in instructing participants on the use of equipment. (M)*	6.31
Staff members are well mannered and courteous.	6.28
Meeting rooms have adequate and variable lighting.	6.26
Quality of food is excellent. (M)*	6.26
The temperature and climate of the meeting rooms is comfortable and controllable.	6.23
Tables and chairs in the meeting rooms are comfortable and well constructed.	6.18
Audio-visual equipment and other materials are available and functional.	6.13
Food is available at convenient times. (M)*	6.13
There is sufficient quantity of food. (M)*	6.05
Rest rooms are clean and have adequate capacity.	6.03
A central conferences services desk is used to answer questions and solve problems. (L)*	6.00
<b>Moderate importance</b>	
Meeting registration is easy and efficient.	5.98
Immediate and attentive assistance is provided throughout a meeting or program. (C)*	5.97
Guest rooms have work space, desks, lighting, and access to technical equipment.	5.95
All-inclusive meal plans are offered.	5.95
The property has a business center.	5.90
Meeting rooms are the appropriate size for the group.	5.92

Size and layout of guest rooms are adequate for the purpose of the meeting or function.	5.85
The lobby and public areas are clean, fresh, and well-maintained.	5.83
Directional signs on the property are clear and well placed.	5.73
Meeting rooms are kept clean of cups, refuse, etc. during the day.	5.69
Fitness facilities and amenities are available (e.g., tennis, swimming, and golf). (L)*	5.63
The distance to and from the airport is reasonable (under one hour).	5.60
Refreshment breaks offer a variety of F&B items.	5.59
Meeting rooms are soundproof.	5.51
Message boards and TV monitors are readable and well placed. (L)*	5.50

## Low importance

A primary person is responsible for coordinating all elements of a meeting or program. (C)*	5.35
Walls are capable of posting materials and information when needed. (M)*	5.33
Group dining is available. (M)*	5.23
Breakout rooms are available and sufficient in size and quantity. (M)*	5.21
Participants may leave materials in the meeting rooms overnight if necessary.	5.21
The grounds are maintained in a tasteful manner.	5.20
The recreational facilities do not encroach on meeting facilities. (M)*	4.98
Property offers a pre-selected menu for <i>à la carte</i> dining or buffets.	4.97
Parking is convenient and adequate. (M)*	4.85
The facility is located close to our organization.	4.85
The property décor is up-to-date and consistent throughout.	4.78
There are several recreational and social activities for spouses.	4.03

\*Letters in parentheses highlight differences between the trainee sample and the trainer and planner sample. The means for the classification categories critical, moderate, and low importance are statistically significantly different at  $p < .05$ .

Phase 1. Dropping price and billing items, we retained for analysis 43 items that related specifically to meeting facilities and services. Those results are presented in Exhibit 3. These items were assessed using a seven-point scale because these data developed as part of another research project.

Many of the items rated important by the meeting participants were also rated high by the meeting planners (Exhibit 2). Like the planners, the trainees viewed safety and security as critical, as well as cleanliness, competent staff, and sensory attributes of the meeting space. Unlike the meeting

planners, however, the people who attended the meeting considered food and beverage to be a critical factor. Those attributes judged by the trainees to be of moderate importance virtually mirrored the planners' results from sample one, with only three exceptions. On the other hand, the trainees gave low ratings to several points that the planners considered highly important. The most notable difference was the trainees' lack of concern about having one primary person responsible for coordinating the meeting, which was judged to be critical by the meeting planners.

## EXHIBIT 4

## Comparison of results between meeting planners and participants

General Characteristics	Meeting planners (scale of 1 to 5)		Trainees, participants (scale of 1 to 7)		Meeting rooms	Meeting planners (scale of 1 to 5)		Trainees, participants (scale of 1 to 7)	
	Mean	Rank	Mean	Rank		Mean	Rank	Mean	Rank
<b>Security</b>	4.84	1	6.44	1	<b>Sensory</b>	4.59	3	5.97	4
The property is free from security risk. Participants will feel at ease walking alone on the premises day or night.					The temperature and climate of the meeting rooms is comfortable and controllable. Meeting rooms have adequate and variable lighting. Tables and chairs in the meeting rooms are comfortable and well constructed. Meeting rooms are soundproof. Meeting rooms are the appropriate size for the group. Meeting rooms are kept clean of cups, refuse, etc. during the day.				
<b>Staff</b>	4.60	2	6.17	2	<b>Physical</b>	4.34	6	5.55	6
One primary person is responsible for coordinating all elements of a meeting or program. Immediate and attentive assistance is provided throughout a meeting or program. Staff members are willing to go the extra step to make a meeting successful. Staff members are proficient in instructing participants on the use of technical equipment that is required for a meeting or program. Staff members are well mannered and courteous. Staff members provide prompt and knowledgeable responses when necessary. Staff members are pleasant and friendly.					Participants may leave materials in the meeting rooms overnight if necessary. Breakout rooms are available and sufficient in size and quantity. Audio-visual equipment and other materials are available and functional (e.g., flip charts, markers, overhead projectors, and whiteboards, as well as microphones, VCRs, and computer-projection equipment). The property has a business center in which items such as personal computers, fax machines, and reprographic services are provided when needed. Walls are capable of posting materials and information when needed.				
<b>Guest rooms</b>	4.53	4	6.05	3	<b>Convenience</b>	4.07	9	5.49	7
Guest rooms are clean, fresh, and well maintained. Size and layout of guest rooms are adequate for the purpose of the meeting or function. Guest rooms have work space, desks, lighting, and access to technical equipment.					Directional signs on the property are clear and well placed. The distance to and from the airport is reasonable (under one hour). Parking is convenient and adequate. Message boards and TV monitors are readable and well placed. A central conferences services desk is available for answering questions and solving problems. Meeting registration is easy and efficient. The facility is located close to our organization.				
<b>Food and beverage</b>	4.16	7	5.74	5	<b>Price and billing</b>	4.42	5	NA	NA
Refreshment breaks offer a variety of food and beverage items. Property offers a pre-selected menu for <i>à la carte</i> dining or buffets. Group dining is available. All-inclusive meal plans are offered. Quality of food is excellent. Food is available at convenient times. There is sufficient quantity of food.					Complete meeting packages are available (e.g., rooms, food and beverage, amenities) for a single rate. Meeting cost is competitive with similar facilities. Meeting can be budgeted precisely in advance. Actual meeting cost is very close to pre-meeting estimate. Direct billing is available and hassle-free. Bills are easy to audit after the meeting.				
<b>Public areas</b>	4.09	8	5.46	8					
The lobby and public areas are clean, fresh, and well maintained. Rest rooms are clean and have adequate capacity. The décor is up-to-date and consistent throughout the property. The grounds are maintained in a tasteful manner.									
<b>Recreational amenities</b>	3.65	10	4.88	9					
The recreational facilities do not encroach on meeting facilities. There are several recreational and social activities for spouses. Fitness facilities and amenities are available (e.g., tennis, swimming, and golf).									



For the final analysis, we combined each of the items associated with the nine original categories and computed overall mean scores to compare the category ratings across the two groups. Remember that items relating to pricing and billing were included only in the questionnaire sent to meeting planners. The results from the two samples are strikingly similar, with security, staff, sensory attributes of meeting rooms, and guest rooms rated in the top four; food and beverage and physical attributes of meeting rooms rated in the middle; and convenience, public areas, and amenities rated the lowest. Pricing and billing was rated in the middle by meeting planners. Applying these results to the model presented in Exhibit 1, one could conclude that the meeting purchase lies slightly to the right of center, or toward service, on the product-service continuum. Security, staff, sensory attributes of meeting rooms, and quality of guest rooms are rated as the most important aspects of overall service quality, and should receive the most attention from management. Décor of the public areas and recreational amenities were rated as least important by both groups of respondents. Exhibit 4 presents a list of all items' ratings by category, while Exhibit 5 presents a summary of the ratings, ranked by category.

### Service Is the Controlling Factor

The purpose of this study was to identify a comprehensive set of physical and service-related characteristics of properties that may strongly influence program and meeting effectiveness. Several of our findings should assist managers of convention properties in better allocating their resources to meet the expectations of their customers. First, safety and security were judged to be of critical importance by both meeting planners and trainees. Security should be a given, so that guests do not have to be concerned about their personal safety. While many meeting facilities are in reasonably safe locations, those facilities located in vicinities where crime might be an issue must make their property secure and ensure that their marketing message reinforces that safety message. Indeed, all properties need to pay attention to their guests' personal safety.

## EXHIBIT 5

Comparison of importance rankings for meeting planners and participants

Planners (5-point scale)		Trainees, participants (7-point scale)	
1. Security	(4.84)	1. Security	(6.44)
2. Staff	(4.60)	2. Staff	(6.17)
3. Meeting rooms—sensory	(4.59)	3. Guest rooms	(6.05)
4. Guest rooms	(4.53)	4. Meeting rooms—sensory	(5.97)
5. Pricing and billing	(4.42)	5. Food and beverage	(5.74)
6. Meeting rooms—physical	(4.34)	6. Meeting rooms—physical	(5.55)
7. Food and beverage	(4.16)	7. Convenience	(5.49)
8. Public areas	(4.09)	8. Public areas	(5.46)
9. Convenience	(4.07)	9. Recreational amenities	(4.88)

Second, the service provided to two different customer groups may have a stronger influence on overall perceptions of service quality than do the facilities. As Renaghan and Kay demonstrated, physical characteristics have a large influence on site decisions for meeting planners. They also found, however, that the most frequent problem faced by meeting planners had nothing to do with the facility itself but rather with a lack of staff competence. The findings of prior research and of our study likewise provide strong evidence that appropriate staffing is critical to meeting success. Sales people who possess an understanding of meeting logistics and the training function provide great benefits to the customer and, for meeting planners, having one primary contact person is perceived as having high importance. A responsive and knowledgeable staff, especially in the area of technology, is also viewed as beneficial. Initial contact and final interaction are going to play a major role in shaping a customer's overall perceptions of service quality. This information has major implications for accounting and sales and marketing, as well as for front-office operations.

**Meeting room matters.** As far as we can determine, this is the first study that has separated a meeting room's sensory attributes—dealing with heat, light, sound, and physical comfort—from physical attributes, such as pinnable walls, breakout rooms, and audio-visual equipment. In-

terestingly, both customer groups judged sensory attributes to be of greater importance than the physical aspects. Our respondents want meeting rooms to be quiet, to have comfortable tables and chairs, to be well lit with variable lighting, and to be of the appropriate size for the function. This finding, consistent with Renaghan and Kay's general results, presents a particular challenge to those facilities that have a major investment in multi-purpose rooms.

**Costly extras.** Respondents place relatively little importance on recreational amenities and public areas, even though these are areas that often receive substantial financial investment and management attention. This does not mean that lobby areas and public spaces are unimportant, but that other factors connected to the meeting are of greater importance for these customers. Amenities such as spas, golf courses, luxurious grounds, and fine dining can be useful in differentiating a facility only if the customer desires these attributes and is willing to pay for them. At any price point, on the other hand, the fundamentals of security, competent staffing, and adequate meeting rooms must be provided to satisfy both meeting planners and trainees. These attributes could be thought of as the minimum threshold to be competitive.

Finally, the responses on individual items from the two different samples varied somewhat. It is crucial to understand that the attributes of greatest importance to the meeting planner (during the sales transaction) are somewhat different from the most important factors for those participating in the meetings.

Our findings amend and validate previous research in both conference hotels and other service industries. Our results add strength to the argument that human elements may be of greater importance than are physical attributes for meeting facilities, and the way the property functions may be more important than the way it looks. Perceived service quality is the inextricable combination of a number of discrete human and non-human transactions, which vary in importance to the customer. As such, it is imperative to understand which attributes of the overall service encounter the customer deems to be critical and ensure that expectations for those attributes are met. This is a necessary precondition to successful programs.

Every resource-allocation decision regarding meeting facilities is important. We hope that this study will help managers make decisions that meet and exceed the expectations of their customers and provide an overall positive meeting experience from beginning to end. ■



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