

# WHAT MAKES THE MOTORSPORT EVENT PRODUCT ENJOYABLE?

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## Introduction

Previous research has identified that there can be significant benefits from hosting a major sporting event but that appropriate leveraging of the event is important in realising these (Chalip, 2004, O'Brien and Chalip, 2007). Borrowing the conceptual significance from conventional marketing, the 'event product' is classified into three levels: the core experience, the tangibles and the augmented (Allen et al., 2010). In the case of a motorsport event, the obvious factors such as the 'tangibles' and 'augmented' aspects of the product determine how enjoyable the race is; they include the difficulty and dangers of the circuit, the mix of racers, number of accidents, the vehicles involved in the races, the glamour, and so on. However, these aspects of the motorsport event environment, which constitute part of the event product, are not formally documented in academic literature while published studies on specifically motorsport events are largely focused on host-guest relationships and impacts (Fredline and Faulkner, 2002b, Fredline and Faulkner, 2002a, Hassan and Connor, 2009), and just a handful on Macau (Zhou, 2010, McCartney, 2005, Chen, 2011). Previous studies that explored spectator sports environments largely focused on those in other sports settings, for example, watching football in a pub (Weed, 2008), live spectating at stadiums (Wakefield et al., 1996), track and field (Snelgrove et al., 2008), or marathons (Kruger and Saayman, 2012). This study uses the Macau Grand Prix (MGP) as the case study to explore the motorsport event product as it is major spectacle at this scale in the region, presenting a unique proposition in terms of product offering, but in a very complex economic environment, dominated by the dynamic tourism and gaming industry.

A sporting event consists of two main elements which can affect the satisfaction of those attending: the event experience as the core sport product; and its extensions, such as ticketing, food and beverage, souvenir sales, etc. Marketers have little or no control over the former so it is the latter on which they should concentrate much of their marketing efforts, such as designing suitable products and services, selecting the right strategies, and so on. As noted by Wakefield & Blodgett (1994), it is therefore important to get the whole offering right to ensure satisfaction not just with the primary product offering but the whole leisure service experience.

Seeing the bigger picture, event spectators who travel specifically to attend an event are likely to be focused on the event itself and may not undertake other activities or tours while at the host destination (Pennington-Gray and Holdnak, 2002); their attendance is restricted almost entirely to within the event and they may be unaware of the other attributes of the host destination. Therefore, the quality of the environment, at which the event takes place is of paramount importance as it has the potential to influence customer perception of the event and consequently, produces positive influences, such as length of stay, purchase behaviour and repeat intentions (Bitner, 1992). Besides, Jones (2008) pointed out that understanding this information is not merely restricted to maximising economic gains, but also to gaining support from the local community and stakeholders through their attendance at the event. Indeed, unlike 'other' tourism products, events are unique because many of the events attendees are local (Getz, 2007).

Drawing from these observations, the present study uses data collected in the MGP 2010 to identify the attributes which makes motorsport events enjoyable. Though attendance at spectator sports is typically motivated by either being a sports fan, particular leisure preferences, or the subculture of the sport (Snelgrove et al., 2008), this study focuses on the elements which make the motorsport event enjoyable. The subsequent sections open with a brief overview of the event, and move on to a review the literature by drawing from select studies on sports event quality to generate the items for the questionnaire surveys. The research methodology is then discussed, followed by a presentation and full discussion of the findings of the analyses. The paper then concludes by drawing the relevant implications of this research to motorsport events and directions for further research.

## **Macau Grand Prix**

The four-day Macau Grand Prix (MGP) began in 1954 with the humble beginnings of amateur competitions and has grown to today's signature event of regional, if not international, prestige and recognition. Because of the lack of land resources, city streets in the 9.3km<sup>2</sup> Macau peninsula are transformed into the 6.2km world-renowned Guia Circuit during the race times (typically from 6am to 6pm during the race days), to host a variety of practice races on Thursday and Friday, and six races on Saturday and Sunday. It is the only circuit in the world that incorporates races in Formula 3, touring cars and motorcycles as well as a stepping stone to success for many world-leaders in motorsport races, including Ayrton Senna, the Schumacher brothers, David Coulthard and Lewis Hamilton.

In terms of marketing efforts, the event design appears to be consistent throughout the years, with heavy emphasis on dangerous curves as its unique selling proposition. Sponsorship plays an insignificant role in the event prestige as it tends to change yearly, depending on bids, and acts merely as a platform to reach clients for local and regional businesses. Finally, the event is always hosted and mainly funded by the government with little or unapparent efforts to diversify or improve its product offering.

## **Review of the literature**

The physical environment in which this service experience takes place has been labelled the 'servicescape' (Bitner, 1992, Booms and Bitner, 1981). Wakefield et al (1996) developed the sportscape model which proposes that specific factors are expected to influence spectators' pleasure or satisfaction with the sport, and subsequently influence spectators' desire to stay and return. These factors include the effects of access, aesthetics, scoreboard quality and perceived crowding on the spectators' pleasure with the venue and the impact of this on subsequent return intentions. It is important to note that this model was developed specifically to assess spectators' perceptions in relation to the rather specific context of stadium quality. Nevertheless, these models help to understand that if spectators perceive the physical environment to be of high quality, they will show higher levels of satisfaction and will be more likely to return. Therefore the excitement, programme and the sporting personalities themselves do not necessarily influence – exclusively – whether or not a sport event is enjoyable.

Likewise, one established framework to measure service quality is the SERVQUAL model (Parasuraman et al., 1985). Theodorakis, Kambitsis & Laios (2001) developed the SPORTSERV model which provides the dimensions of the sportscape: access, security

reliability, responsiveness and tangibles but populated by more sport event relevant items. Nevertheless, these dimensions were specifically developed for understanding perceived service quality and repurchase intentions in a sports setting. Ko et al (2011) have more recently proposed the Model of Event Quality for Spectator Sport (MEQSS) and Scale of Event Quality for Spectator Sport (SEQSS) that reflect the whole sport offering by considering the dimensions of game quality, augmented service quality, interaction quality, outcome quality, and physical evidence quality. The latter specifically includes 'ambience', such as temperature, lighting, noise and music; 'design', such as the functions and aesthetic properties; and 'signage', referring to the ease of viewing, directions and attractiveness. These elements are recognised as central to the customers' experience, and an influence of their cognitive/affective states, and so their subsequent purchase behaviour.

Yoshida and James (2011) studied the dimensions of aesthetics in service quality using a 10-category, 46-item scale in their cross-cultural study on the aesthetics dimensions of quality. Hill and Green (2000) noted that few of the individual attributes alone influence satisfaction and return intention but rather that it is the perception of the facility as a whole. This was a similar finding of Greenwell et al (2002) who showed that perceptions of the physical facility and of service personnel contributed more to customer satisfaction than even perceptions of the core product.

Kelley and Turley (2001) devised a nine-part framework to understand spectator sport event quality: employees, facility access, concessions, comfort, game experience, showtime, convenience, price, and smoking. They noted that different categories of event spectators put different weights on these event attributes. Kruger and Saayman (2012) identified four success factors in marathon events: amenities, comfort and visibility, marketing, and personal and provisions. They found that amenities, which refers to anything from adequate parking to adequate signage, was the most important but that these factors appear to vary from one event to another, thus showing the complexity of meeting the needs of the target markets.

The majority of studies into service quality to sporting events, and especially those considering the sportscape itself, have focused on those taking place in stadiums. However, Nguyen and Menzies (2010) studied stakeholders' perceptions of the Lexmark Indy 300/Champ Car event in Gold Coast, Australia. This was a four-day motor racing event held on the Surfers Paradise circuit, so it shares some similarity with the MGP. They conducted semi-structured interviews to determine perceptions of the event experience in relation to three aspects, specifically, visible elements (sportscape), interaction (social environment) and management (experienced influence of organisations and systems). Their results show that perceived strengths of the event focused more on 'interaction' elements, such as the atmosphere and people but also included a mention of visible elements, such as security and the cars themselves.

They go on to suggest that spectators perceive visible elements, or sportscape, as most salient in explaining event effectiveness with special reference to good crowd control, parking and public transport but also in explaining weaknesses in the form of physical/stadia arrangements, such as transport, toilets, visibility, children area and noise. These elements were identified as important to improve the event including the physical environment itself, transportation and seating along with the management element, such as affordability and need for more policing. They proposed the visible – or physical – element to be of most importance in considering future improvement of the event along with continuing to provide

a positive and fun atmosphere for spectators and note the limitations of the qualitative approach.

## Methods

The large-scale quantitative surveys should perhaps be preceded by qualitative interviews to identify variables not generated from the literature review (Patrício et al., 2011). However, given the nature of the data collection exercise to coincide with the race days, interviews would not be possible other than either conducting this phase a year ahead, or during times when the respondents are not emotionally intensive, thus potentially affecting the results of the qualitative data (Silverman, 2013). Moreover, data from MGP attendees who happen to have visited due to MGP would be more likely to be gained when data collection is conducted during the race days as opposed to random dates on the calendar.

Data collection was conducted over a four-day period in November 2010, which coincided with the 57<sup>th</sup> Macau Grand Prix. Under the supervision of senior members of the research team, trained and experienced student surveyors were deployed to administer face-to-face questionnaire surveys at seven key touristic and MGP locations around Macau and at the access points to MGP grandstands. Surveyors intercepted respondents randomly to complete a questionnaire survey that comprises of 15 statements derived and adapted from the literature review that constitutes an enjoyable experience at the motorsports event. These statements were initially developed using English language and was later translated into Chinese as the majority of the research sample (local population and tourist arrivals) use the language. There were at least two native speakers who authenticated the translations before the questionnaire was used. Respondents were asked to rate their level of agreement on a 5-point scale that ranges from 'very poor' to 'very good'. The questionnaire included demographic questions, specifically, gender, age, educational attainment, occupation, and annual income. The surveyors were instructed to collect data from a fairly equal number of tourists and residents to ensure a representative dataset for analysis. Due to the time nature of the event, it was not possible to run a pilot prior to the actual event dates.

A full dataset of 801 respondents were collected as a large-scale study of the MGP in 2010; however, as reflected in Table 1, only a sub-sample of 395 respondents was considered relevant to this study in order to include only those who attended the MGP as live spectators. The sample has a very similar weighting of local residents to visitors, and the majority of the respondents were male and aged between 25 to 44 years old. The tourists were mostly from Hong Kong and mainland China, followed by Chinese Taiwan, other Asian countries, and other countries outside of Asia, specifically, United States, Australia and Canada, and a few others. 74% of the tourists indicated that the primary purpose of visit to Macau was for MGP.

<<Insert Table 1 here>>

The means and standard deviations for the measuring items for overall sample, residents and tourists are reported in Table 2. A t-test was also carried out and results show that out of 15 items, only two of them, namely 'noise' and 'local transportation', were rated significantly differently between residents and tourists. This implies that both residents and tourists largely consider similar components for an enjoyable motorsport event.

<<Insert Table 2 here>>

## Findings

The objective of this paper is to identify the underlying components that make the MGP an enjoyable event. Respondents were asked to rate 15 items which were then analysed using exploratory factor analysis using principle components analysis with varimax rotation. Before proceeding to explore the underlying dimensions, test statistics of the Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy and the Barlett's Test of Sphericity reflect the fitness of performing exploratory factor analysis. The KMO statistics is 0.802 and the Bartlett's Test of Sphericity was 1710.935, with significance lower than 0.001, hence providing the support of performing the factor analysis (Hair et al., 2010).

All 15 items were initially factor analysed. A minimum eigenvalue of 1.0 is required as the factor extraction criteria. The initial factor analysis extracted four factors which explained 60.9% of total variance. All items appeared to have a factor loading  $>0.40$  and communalities  $>0.50$ . It is notable that the item 'suitability of the entire event for families' exhibits similar level of cross-loading on two dimensions (factor loadings equal to 0.375 and 0.35).

The analysis then explored if the underlying factors are different between resident and tourist respondents. The exploratory factor analysis above was applied to the sub-samples of residents and tourists respectively. The diagnostic statistics suggested that both samples were suitable for factor analysis. Table 3 shows the summary of exploratory factor analyses of all three cases (residents and tourists, tourists only and residents only).

<<Insert Table 3 here>>

All three cases generated four factors which suggested that resident and tourist spectators considered similar underlying factors for an enjoyable event. However, item 'suitability of the entire event for families' was removed as it was factored into two categories with similar cross-loading. The remaining 14 items were factor analysed again with the same criteria and four groups were extracted which explained 63.2% of total variance and supported the removal of this item.

As shown in Table 4, the results of the exploratory factor analysis revealed that the scales are reliable and valid. These were labelled based on the common characteristics of the items: event amenities (factor 1), event aesthetics (factor 2), event ambience (factor 3), and event tickets (factor 4). The factor loadings range from .507 to .884. Respondents considered event aesthetics, which were made up of three components, specifically 'exciting racing', 'presence of famous racing drivers', and 'closeness of viewing position to track' are those elements that contribute to an enjoyable event (mean = 3.83). Likewise, event ambience consisted of 'weather', 'noise', 'large crowds', and 'safety and security' (mean = 3.50); event tickets of 'ticket availability' and 'ticket prices' (mean = 3.29); and event amenities consisted of 'availability of toilet facilities', 'availability of food and drink', 'local transportation', 'environmental sustainability of the event', and 'availability of souvenirs' (mean = 3.14).

<<Insert Table 4 here>>

The exploratory factor analysis suggested that both residents and tourists considered similar elements for an enjoyable event. A t-test was further carried out to examine if differences of importance exist between residents and tourists. Results showed that residents and tourists

did not consider the four components significantly different. As shown in Table 5, in terms of level of importance, results revealed that both groups rated in the same order:

<<Insert Table 5 here>>

## **Discussions and Conclusions**

To the best of the authors' knowledge, there is an absence of similar studies on motorsport events, therefore, it is not possible to conclude whether the results from this study mirror the previous ones. The items were factored into four categories; specifically, event amenities, event aesthetics, event ambience, and event tickets. They are largely consistent with other studies on spectator sport event quality. The results also revealed that the level of importance of these factors as considered by the respondents was similar to other spectator sport events. The event environmental features were considered more importantly, such as elements within the event aesthetics and ambience factors, as opposed to more pragmatic reasons such as ticket costs and support facilities. This shows that motorsport event attendees at the MGP gave greater consideration to the intangible aspects of the 'event product' while acknowledging the importance also to the tangibles and augmented aspects of the product mix. However, this may well be a result of the research sample (only respondents who had seen the MGP live were interviewed), hence their heavier emphasis on the event core product – the motorsport experience. Otherwise, the general public may not necessarily consider these items were of equal importance and may, for example, demand more on the amenities instead.

In addition, further analyses also show that tourists and residents consider indifferently with regards to the level of importance of these factors. Indeed, if the majority of motorsport events are homogeneous in that the audience shares the same pattern of the level of importance of enjoyment factors as revealed in this study, motorsport event marketers should focus their resources on maintaining, if not improving, their product offerings, in particular, the aesthetics and ambience elements, such as attracting top class racers and enhancing the live atmosphere at the grandstands. Of course, this claim has to be further verified by future research which should perhaps look at profiling event attendees, such as through cluster analysis, to further understand the market segments of the event, for example, to better design product attributes. It is perhaps imperative, too, to collect data in a longitudinal manner to capture changes in market segments and their tastes (Tkaczynski and Rundle-Thiele, 2011).

In the case of Macau, competition in the region appears to be fierce from more attractive motorsport events (for instance, most circuits in the region are Formula One races and in the case of Singapore, the circuit is adapted from city streets like Macau but the entire races are held at night, thus enhancing the event aesthetic and ambient properties by making the event unique). Further, the mundane marketing, absence of strategic involvement of local and regional partners as well as lack of new concepts in how the Macau Grand Prix is staged each year will sooner or later be fatal to its continuity and prestige. This is particularly imminent as motorsport events seem to increasingly attract a female following and the market in Macau appears to be changing its tastes and preferences all the time. The government, as the event organiser, must have a full grasp of these changes in the market. The support from the local people (Zhou, 2010, Chen, 2011) and the positive contribution of the event to Macau's destination image (McCartney, 2005) encourage innovation of MGP and allow organisers to focus on the motorsport event product mix as opposed to managing other issues, such as noise abatement or conflicts with the local community. Finally, the 15 items used were

intentionally constructed to leave out cultural variances or those which are event-specific, so as to facilitate cross-cultural studies in motorsport events elsewhere to understand to what extent these factors differ.

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