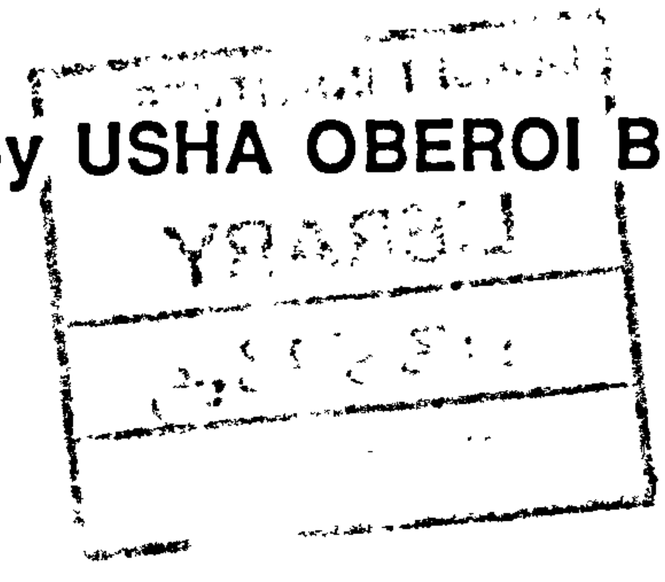
QUALITY ASSESSMENT OF A SERVICE PRODUCT: AN EMPIRICALLY BASED STUDY OF U.K. CONFERENCE HOTELS

by USHA OBEROI B.Sc.



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ABSTRACT

This study brings together two bodies of literature, one concerned with the character of services and the other concerned with the nature of quality, in order to explore the nature and possible forms of measurement of service quality. It uses the conference hotel service product as a vehicle for examining judgements about overall service quality.

A systematic approach, through a multi-staged methodology, is evolved by first identifying what the product consists of; secondly by establishing what the evaluative attributes are; thirdly by assessing levels of perceived performance on the evaluative attributes and, crucially, the assessment of the overall performance of the product.

By using statistical techniques, the evaluative attributes of perceived net quality are examined. This is achieved by analysing which attributes fulfil minimum requirements and which attributes can increase a positive perception of net quality. In addition, the impact of the attributes on net quality is established.

The study shows that the specific product consists of a multi-dimensional combination of attributes in varying degrees. The crucial attribute is shown to be dependability of management and staff. In addition, the study reveals that net quality is not only a reflection of incidents of satisfaction with the physical commodities and performed activities. It also needs to take into consideration human interaction as a component in itself. In a wider context the study gives an indication of how the perceived net quality of a product , with a high degree of an activity component, can be examined.

To my Mother

and

In loving memory of my Father

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CHAPTER 1

The Problem of Service Quality

1.1 Introduction

Only since the early 80's have two separate lines of enquiry, one concerned with the character of *services*, the other concerned with the nature of *quality*, been brought together explicitly in the exploration of the nature and possible forms of measurement of *service quality*.

The issue of the theoretical union between service and quality is still very much in its infancy and, to a large extent, evinces many of the confusions which have beset its theoretical progenitors. In short, there is a clear need for further conceptual and methodological development in the area of *service quality*. Other writers have observed that:

> *"The subject of service quality has received little attention".*
>
> (Berry, Zeithaml and Parasuraman, 1985).

and that there is a

> *".. lack of research which describes and measures service quality as compared to the higher demands of consumers".*
>
> (Tackeuchi and Quelch, 1983).

To date most research has been carried out on manufacturing businesses. This is due to the fact that it is simpler to determine quality and consumer satisfaction of a thing rather than a service.

Before addressing the question of *service quality* it seems appropriate to consider, first, the component concepts of service and quality and how these may be understood. This may provide important clues about the problems of measuring service quality and, consequently, why there has hitherto, been relatively little research which has sought to do so.

1.2 The Service Concept

> *"The concept of service evokes, from the opaque recesses of the mind, time worn images of personal ministration and attendance. It refers, generally, to deeds one individual performs personally for another".*
>
> (Levitt, 1972).

There is much debate in the existing literature on how best to distinguish between service products and manufactured products and, indeed, whether it is sensible to make such a distinction at all. Those who do wish to distinguish between 'goods' and 'services' as discrete entities usually proceed by setting out what they take to be the defining characteristics of services. These are said to be: intangibility; direct consumer involvement in the production of the service; inseparability of the production and consumption process; perishability and linked to this is the element of time (Bateson, 1977; Shostack, 1978; Berry, 1980; Booms and Nyquist, 1981; Brown and Fern, 1981; Carmen and Langeard, 1981; Lovelock, 1981; Gronroos, 1983; and Cowell, 1987). Other writers have questioned the hard and fast distinction between manufactured goods and services and argued, for example, that;

> *"... there is no such thing as service industries. There are only industries whose service components are greater or less than those of other industries".*
>
> (Levitt,. 1972).

These authors eschew endless debate about whether it is possible to describe a purchase as **either** a service **or** a good. Instead, they suggest a combination of *'service'* **and** *'good'* elements as a characteristic of all purchases (Shostack, 1977; Sasser et al., 1978; Nightingale, 1986; Middleton, 1989). What differentiates purchases is the relative size of the 'service' and goods' component (Shostack, 1977). Once this position is adopted, the terms 'goods' and 'sevices' become more of a hindrance than an aid to understanding and may be dropped in favour of the more generic term 'product' (Buttle, 1986; Shams and Hales, 1989).

Other models have sought to conceptualise the essence of what is being bought by focusing on the interaction between the physical support and interaction between service personnel and the consumer. Some authors have used the participation of consumers in the product as a way of characterising services (Eiglier and Langeard, 1977; Gronroos, 1978; Levitt, 1980). Again, others point out that the *degree* of consumer involvement in a product is a continuous variable, differentiating all products, rather than a dichotomous variable distinguishing 'goods' and 'services' (Shams and Hales, 1989).

The current literature on service is concerned with three main issues: Definition, Classification and Conceptualisation. These bodies of literature need to be addressed to establish *"what constitutes a service".*

1.2.1 Definition

Definitions of services seem to emphasise the intangible nature of services, for instance Stanton in *'The Fundamentals of Marketing'* (1981), defines services as:

> *"Services are those separately identifiable, essentially intangible activities which provide want-satisfaction, and are not necessarily tied to the use of tangible goods. However, when such use is required, there is no transfer of title (permanent ownership) to these tangible goods".*
>
> (Stanton, 1981).

This is similar to the definition of services given by Bloom and Kotler:

> *"It is any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product".*
>
> (Bloom and Kotler, 1984).

These definitions are more recent that the American Marketing Association's definition of 1965 which defined services as *'intangible products'* and indicate a progression in thought from the archaic perception of services being exactly like products except for intangibility. Marketing as a discipline has focused on the marketing of services in order to 'correct' the imbalance within the discipline and over-emphasised manufactured products. However, once the balance is *restored* there is really only the marketing of 'products' per se (Akehurst, 1987).

It has been well documented in the literature that services differ from manufactured products due to characteristics such as:

i) intangibility,
ii) heterogeneity
iii) inseparability, and
iv) perishability.

The position adopted here is in accordance with Buttle (1986), Shams and Hales (1989), viewing anything that is purchased and consumed as part of the generic category of 'products'. However, products may be differentiated in terms of relative *proportions* of physical commodities on the one hand and

performed activities on the other. Hence they may be differentiated in terms of *degree* to which they are intangible, heterogeneric and perishable and the extent to which they involve the consumer and the consumption is inseparable from their production.

Some service products contain more of these inherent characteristics in their provision than others:

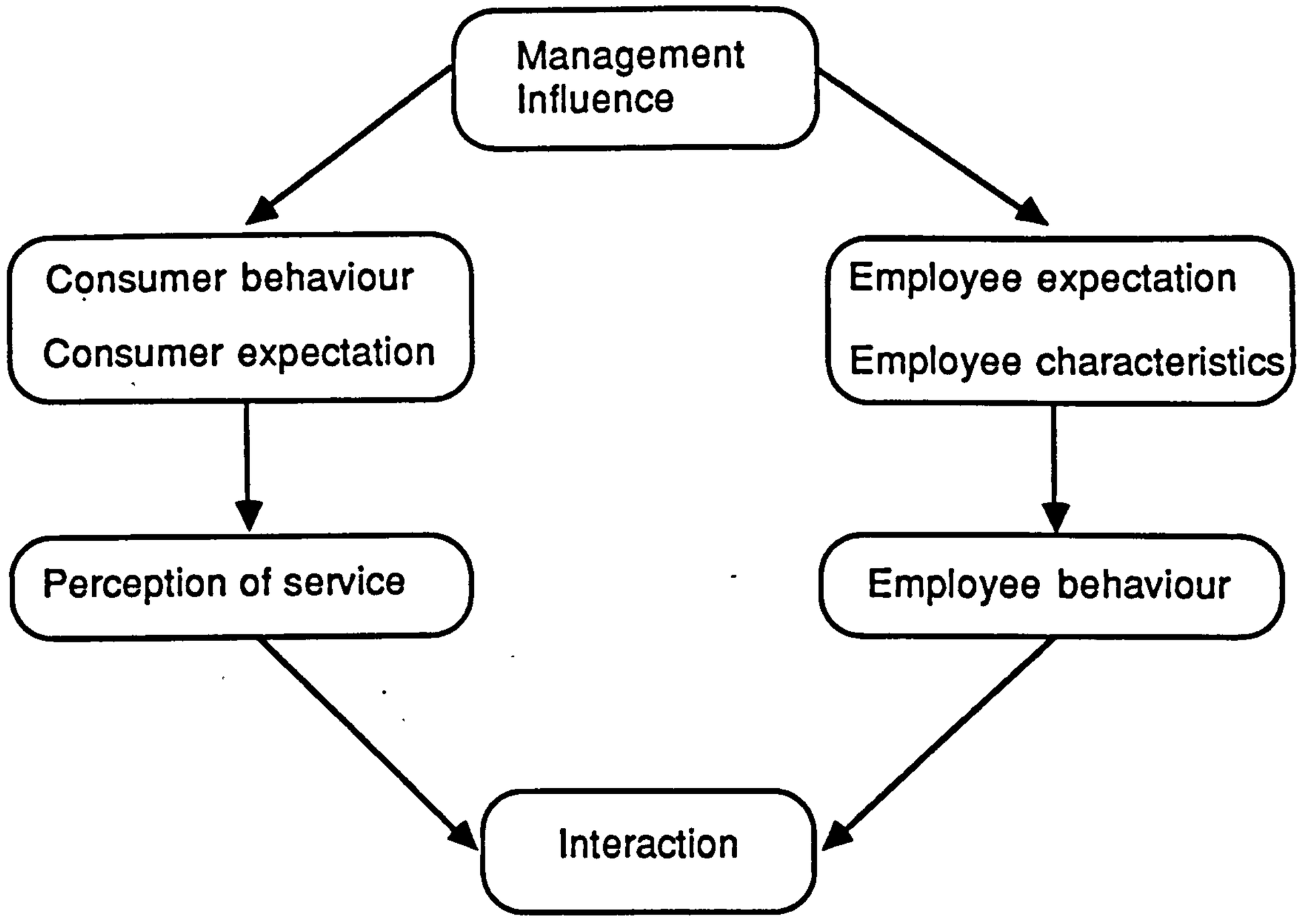
i) The intangibility (Bateson, 1977, 1979; Shostack, 1977, 1978; Brown and Fern, 1981; Lovelock, 1981; Gronroos, 1983) characteristic means that there is no complete physical form which can be perceived by the consumer at the pre-purchase stage, it is not an object or thing. The service is an act performed and cannot be touched. Due to its intangibility it is difficult to impossible for the consumer to articulate what service is required. In essence, intangibility means that the service product cannot be pre-experienced. This is of course true of all first time purchases, but with a service product it is true of every purchase. It is only after the service delivery process and consumption that the consumer can make some determination about the service product and make a judgement about its performance as compared to the consumers expectations. However, should the service product prove unsatisfactory, it is often too late to rectify that purchase decision since service has already been rendered and accepted by the consumer. There is then a high risk of dissatisfaction in purchasing a product with an intangible source. One might argue that the service product does not consist of mere intangibles since there are usually tangible elements involved in the service product, e.g. banking services there are objects involved like cheque books or at the doctor's there are intangible elements present and utilised as part of the service. The service product then includes tangible elements which can be seen, tasted, heard and touched. However, these durables are an integral part of the service production and not end products in themselves. They are, however, often taken as an indication or reflection of the quality of service which may be provided. The intangible elements of the service product are more variable than the tangible elements, e.g. the decor in a hotel can be the same tomorrow but the consumers and staff are not.

ii) It is this direct consumer involvement with the production of the service product which means that the service is unique to the consumers requirements and that standardisation of the service product output appears to be at a minimum, (Eiglier and Langeard, 1977; Bateson, 1979; Berry, 1980; Booms and Bitner, 1981; Lethinen and Lethinen, 1985). Heterogeneity means that each time the service product is experienced/consumed it is different. The service experienced is a result of the consumer's expectations, media exposure, previous experience and interaction with contact-personnel and other consumers. Above all, culture affects learning and attitudes, and acts as a filter to the consumption/purchasing process. In addition it affects consumer relationships with other consumers and the contact-personnel (Riddle, 1988). The contact personnel and their conssitency of behaviour is an important link between the technical component and the consumer of the service product, (see Figure 1.1 over).

iii) Inseparability of the production and consumption process of the service product means that services cannot be stored (Gronroos, 1978; Lovelock, 1980; Upah, 1980; Booms and Nyquist, 1981; Brown and Fern, 1981; Carmen and Langeard, 1981). In contrast to a manufactured product, which can be produced in one location, sold in another and utilised in a final location, the service product is consumed as it is produced. The service is an activity which is produced upon purchase. As a result there has to be direct interaction between the producers of the service and the consumer. The service producers are therefore often present and visible to the consumer. This means that the people element involved in the production and consumption process (contact personnel with consumers and consumers with other consumers) are part of the service product itself. Consumers become 'prosumers'. This level of interaction introduces a human component and thereby increases the heterogeneity of the service since the ambivilance of human behaviour is introduced (Booms and Nyquist, 1981).

Figure 1.1 A Model of Customer-Employee Interaction

(Mills, C. R. 1986)



iv) Perishability of the service product (Brown and Fern, 1981; Lovelock, 1981; Cowell, 1987) has not been discussed in the published material as widely as the other characteristics. The service product is created upon purchase, it is not stored nor can the exact same service be re-sold.

The emphasis on time as a unit of the experience process is an additional characteristic (Lovelock, 1981). These characteristics emphasise the close partnership between consumer and producer. Not only is there a traditional exchange process as there is in any purchasing situation, but there is also an interface between consumer and service producers through an interaction process.

The interaction processes occurring in the service delivery system, require effective communication as a vital link to the 'human interaction' involved in the process. As emphasied by Goldhaver (1979),

"Human communication is the process by which people create and exchange messages to satisfy wants and/or express ideas and feelings".

(Goldhaver, 1979).

1.2.2 Classification of services

It has been argued that specific types of services should not be classified by type of industry (Levitt, 1972). The principle of distinguishing between services by focusing on the orientation of operations of single industries such as hospitality, banking, transportation and insurance (Lovelock, 1980), does not allow for the existence of key characteristics which are common to all of them.

Various service classification schemes have been proposed, some of which aid the understanding of the distinctions between the manufactured product and a service product. For instance, Lovelock (1980) devised twelve service classification schemes which transcend all types of services, and can be utilised to formulate a marketing strategy.

Further, Kotler in The Principles of Marketing, (1980) suggests four categories which are based on:

i) Whether a service is people based as opposed to equipment based;
ii) the degree of consumer involvement;
iii) whether the service meets personal or corporate needs; and
iv) whether the service is public or private, and for non-profit or for profit.

Rathmells' (1974) classification differs from Kotler's in that:

i) Services may be classified according to sales volume, investment or employees, and
ii) services can be classified according to their function, which according to Lovelock is not a desirable scheme.

Other writers, such as Daniels (1985) use classification not as a method to distinguish between a manufactured product and service product, instead they classify service products based on whether a service is a producer service or a

consumer service. Booms and Bitner (1981) have attempted to re-construct the marketing mix to fit in with the service industries. They too discuss services through means of marketing (Bitner, 1988). Besides the marketing mix for products, additional aspects have been included for service industries, these consist of people, physical evidence and process of service assembly.

Although the literature is replete with probable methods for classifying services, both as a distinction from other products and within the service industry, between service products, there is a discernable weakness with these classification schemes. The classification categories suggested are too constricted. They force services and products into pre-set classifications. The schemes are in terms of **either** functional (people) based **or** technical (equipment) based. However, many service products do contain a mixture of both. For example, an hotel service product, may have to be thought of as a 'mixture' of **both** functional and technical components.

> *"Nearly all purchasers of goods involve the purchase of a service. Conserversely, almost all the purchases of services involve the purchase of goods either directly by the consumer or by the producer of the service".*
>
> (Sasser, et al., 1978).

Nightingale (1985, 1986) mentions that certain services provide a number of product-related services. He states that these services are secondary to the main object, i.e. the primary person-related services for consumers. It may be that consumers view durables and consumables not as secondary to the intangibles, but as part of the service in that they *facilitate* the service product. The *mixture* seems to vary according to instances of experience/consumption of the service product. They need to be sub-divided or broken down in order to facilitate the incorporation of service products, which are an *experience* .

1.2.3 Conceptualisation

The current classification schemes discussed do not allow for a certain mixture or combination of both functional and technical components. The literature does, however, contain conceptual frameworks which have been developed in addition to the classification schemes to understand the service product. The conceptual frameworks can be categorised in terms of their emphasis upon two main concepts; a continuum and an augmented product. These models seem to be more applicable than the current classification schemes, since these

models allow for a mixture between functional and technical components of a service product.

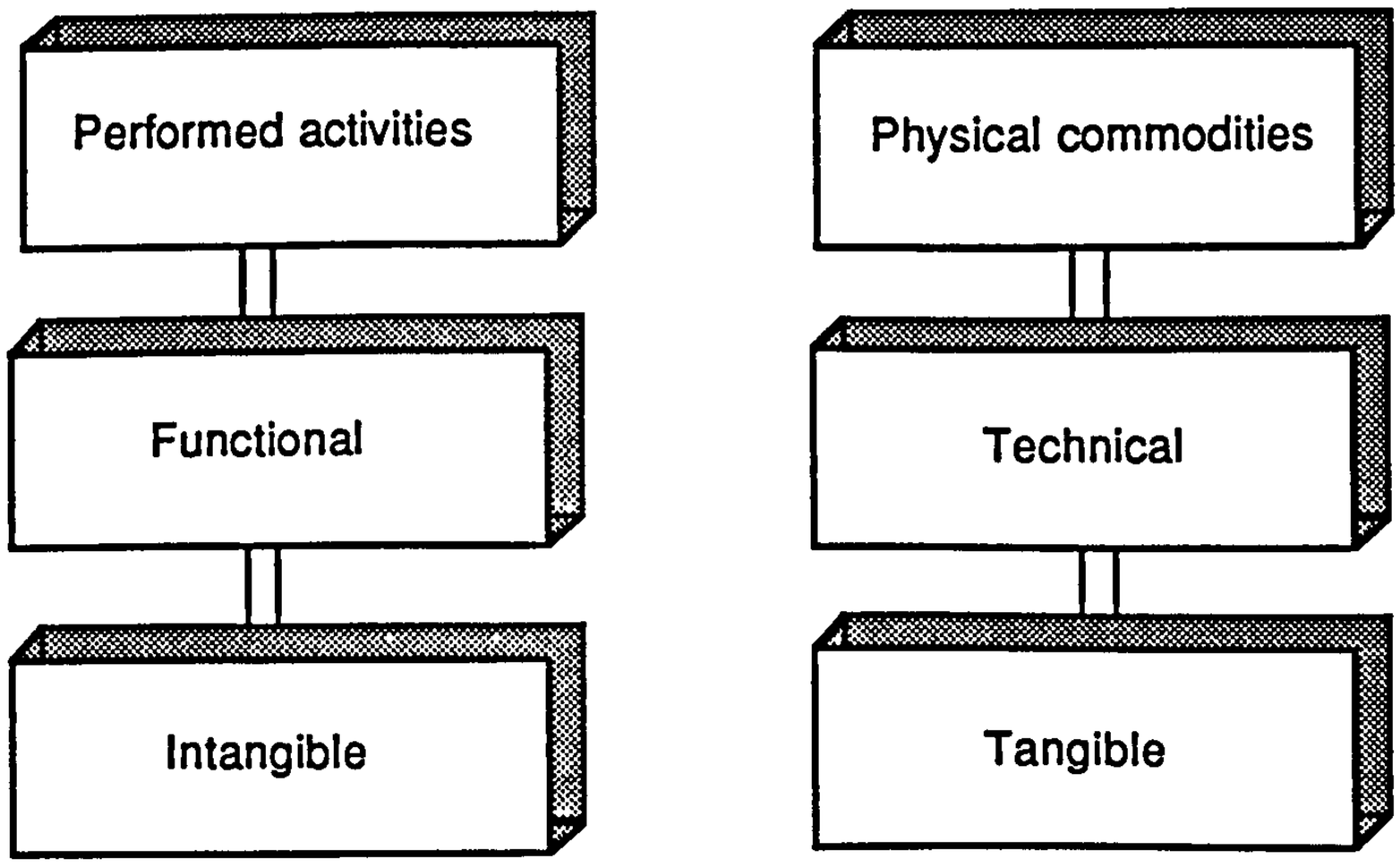
Middleton (1989) and Shostack (1977) used a 'scale of marketing entities' to illustrate the importance of a continuum in defining services. They suggest that terms such as product or service are not adequate in describing the nature of what is purchased, but that a combination of elements can be linked together to produce a 'whole'. The 'whole' can have either a tangible or an intangible dominance as depicted by her molecular model (see Figure 2) Authors distinguish between the two main components by using different terminology. The functional component has also been substituted within the literature with the intangible component or performed activities (Shostack, 1977; Berry, 1980; Lovelock, 1981; Gronroos, 1983). They are all based on the same type of definition in that they all refer to

> *"a deed, a performance, an effort"*
>
> (Berry, 1980).
>
> *"an abstract idea"*
>
> (Gronroos, 1983).
>
> *"impalpable . . . not corporeal"*
>
> (Shostack, 1977).

On the other hand, the technical component is referred to within the literature under synonyms such as the tangible component, and the physical commodities. These terms are all based on the same type of definition, in that they all refer to:

> *"an object, a device, a thing"*
>
> (Berry, 1980).

The terms are, to a large extent, synonymous as exemplified over,

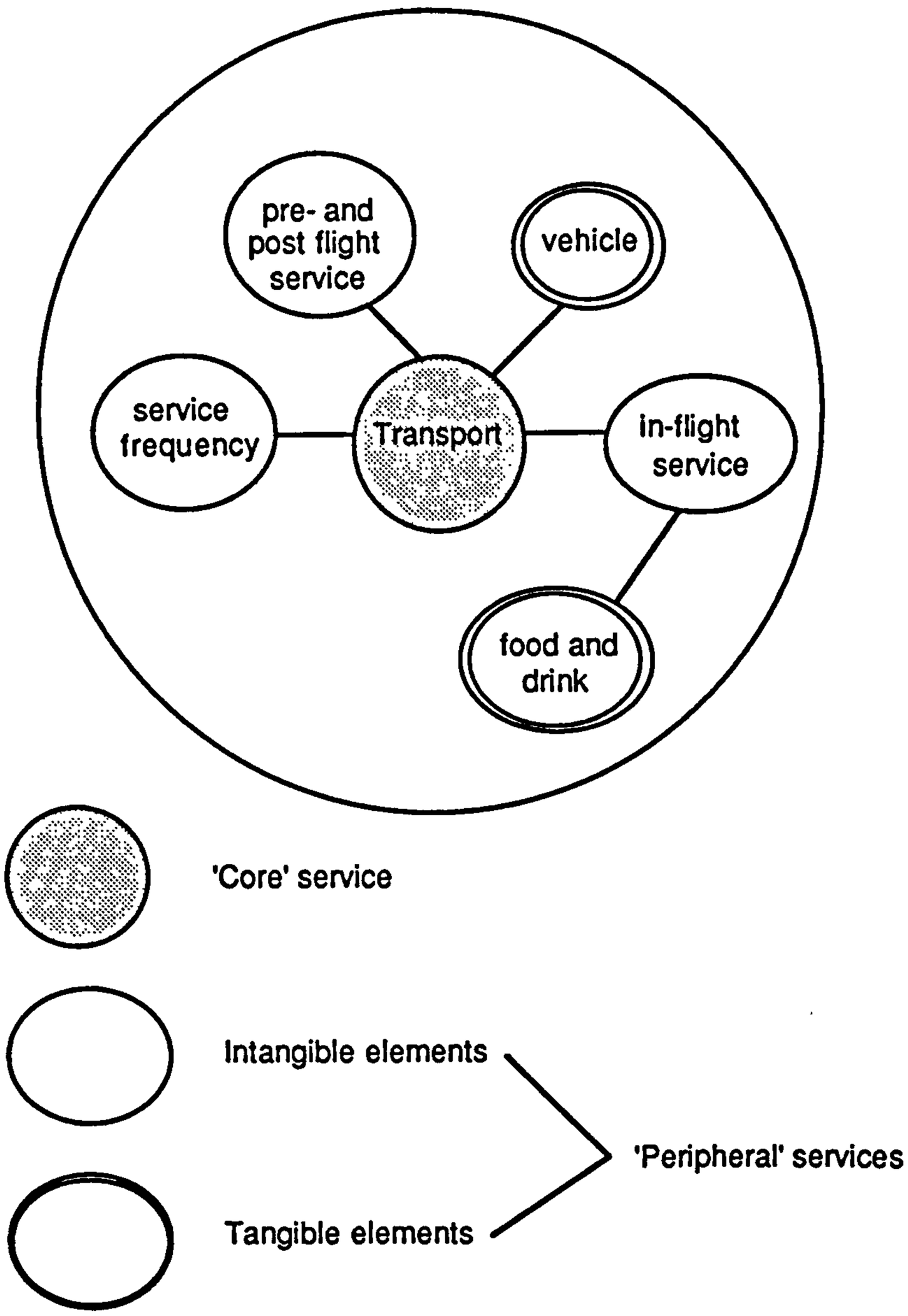


The Shostack molecular model can be modified/adapted to include the consumer who is highly involved in the service production process, and therefore as a functional attribute which affects the service product 'whole'. This concept is similar to the approach of Normann (1984), who uses terms such as 'core' services and 'peripheral' services (see Figure 1.2).

A continuum model was put forward by Sasser et al. (1978). This model proposes that products are to be arrayed along a continuum ranging from 100% goods to 100% services, (see Figure 1.3). There are, however, few 100% goods and few 100% services. At the point where the goods content is less than 50% of the total 'bundle' the purchase will be perceived by the consumer as a service. The Sasser model does adequately bridge the problem of defining a single product for a service operation (performed activities and physical commodities), since it deals with the product as a combination of attributes.

Figure 1.2 Molecular Model of Airlines

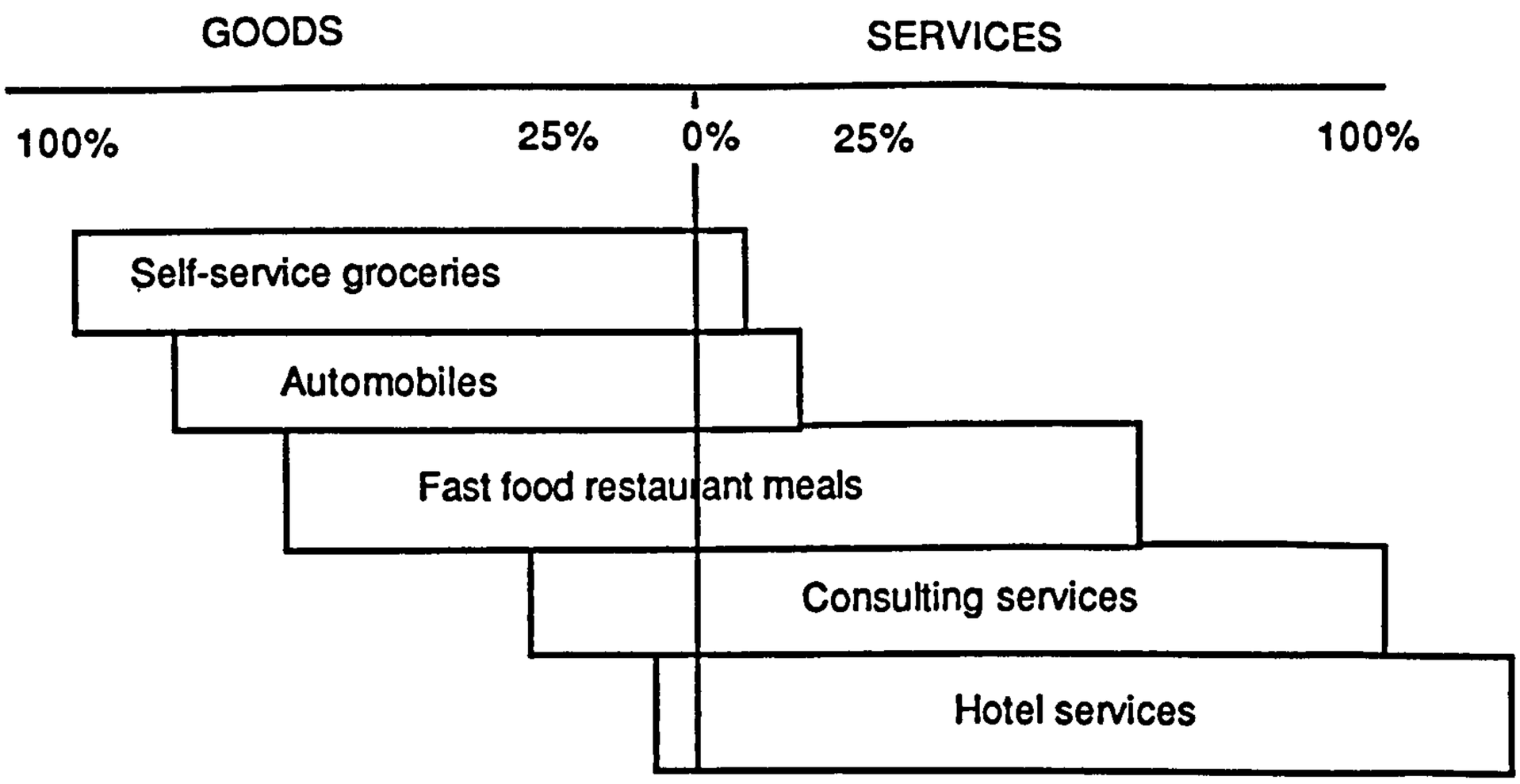
Adapted from Shostack, 1977 and Carmen, 1980.



Although the continuum model provides a conceptual understanding of services, the model is essentially uni-dimensional, when in essence services are multi-dimensional or multi-faceted.

Figure 1.3 A Comparison of Various Goods and Services Packages

(Sasser et al., 1979).



Other authors have emphasised consumer participation as a way of conceptualising services (Eiglier and Langeard, 1975, 1977; Gronroos, 1978, 1988; Levitt, 1980). They focus on the interaction between the physical support/environment, service personnel and the consumer as the key to conceptualising services. They developed a model which divides the service product into two parts: One which is visible to consumers such as the tangible evidence, and the other which is invisible such as inter-relationships between the consumer and the contact personnel.

1.3 The Concept of Quality

In addition to the inherent characteristics, such as intangibility, heterogeneity, inseparability and perishability, it is the human element which creates difficulty for objectively measuring quality of the service product. Nevertheless it is necessary to look in some detail at 'quality'. The delivery of quality in services has become a priority in the 1980s (Leonard and Sasser, 1982). The ability to deliver high service quality produces such benefits as profits, cost savings and increase market share (Zeithaml et al., 1987).

Quality control can be regarded as a framework of procedures for redefining, measuring and improving reliability of the produced product (Crosby, 1972).

However one cannot measure quality by measuring reliability. They are not synonymous (Thompson, 1982). Most published work on product quality has focused on manufactured goods, as Crosby (1979), who defines product quality as *"conformance to requirements"*, and Garvin (1983) who counts incidence of failure, exemplify. The focus on manufactured products flows from a view of quality as an intrinsic property of a product. It is well cited that the quality of a 'service' product cannot be controlled in the same way a manufactured product can be controlled. This substitutes the problem, of *'what constitutes a service'* with the problem of *'what constitutes quality'*.

Initially, what quality is needs to be established as exact as possible. Although the word quality is used in everyday language, it appears to be rather difficult to define. The Collins Dictionary (1986) defines quality as:

> *"A degree or standard of excellence especially a high standard".*
>
> (Collins Dictionary, 1986).

The literature on services tends to equate quality with perceived quality, and the consumers judgement or evaluation about a product's overall excellence or superiority (Zeithaml, 1986).

Although it is known that an evaluation or judgement about a products overall excellence occurs, there is a lack of understanding as to how it occurs and the importance of the various attributes of the service in making the evaluation. Not only has the evaluation of quality of the service product been vital to marketing strategies, but it also gives important insights on how well the product performs. The performance can be used as a bench mark to establish if indeed the product which is produced is satisfactory to the consumer. This is of importance because consumers must want to buy a service product (or any product) because it will satisfy their needs. This increases the possibility of resale to the consumer. If the consumers are not satisfied with the quality of the product, there is a distinct possibility that there will be no resales of the product to that particular consumer. There is then, a possible relationship between the consumers' perception of quality of a product and willingness to re-purchase, which needs to be assessed.

It has been written that the metaphysical complexities of the issue *"What is quality?"* can drive one quite insane, as in the case of the alter-ego of the narrator in the book *Zen and the Art of Motorcycle Maintenance,* (Pirsig, 1974).

Quality ... everyone knows what it is, yet when trying to define it words like 'better', 'nicer', 'good' arise. Meaning that when something has quality it possesses some form of 'niceness'. However, what is the 'niceness' or 'betterness'? There seems to be a problem in defining quality. Indeed this has emerged as an inter-disciplinary subject in its own right, namely the philosophy study of aesthetics. Whilst this is a subject of much debate within philosophy, art and literature, the fact remains that quality is an issue at a more mundane level for the consumers. How do consumers at a common level deal with the issue of quality? Consumers may not clearly articulate or describe their expectations, but they do know when their expectations are not met and the consumer experiences feelings of dissatisfaction. Similarly, consumers know whether there is a lack of quality in the service provided to them. This poses the questions; is quality an inherent part of the actual service product the consumer experiences? Or is quality subjective, and exists in the consumer as the observer.

1.3.1 Subjective versus Objective Quality

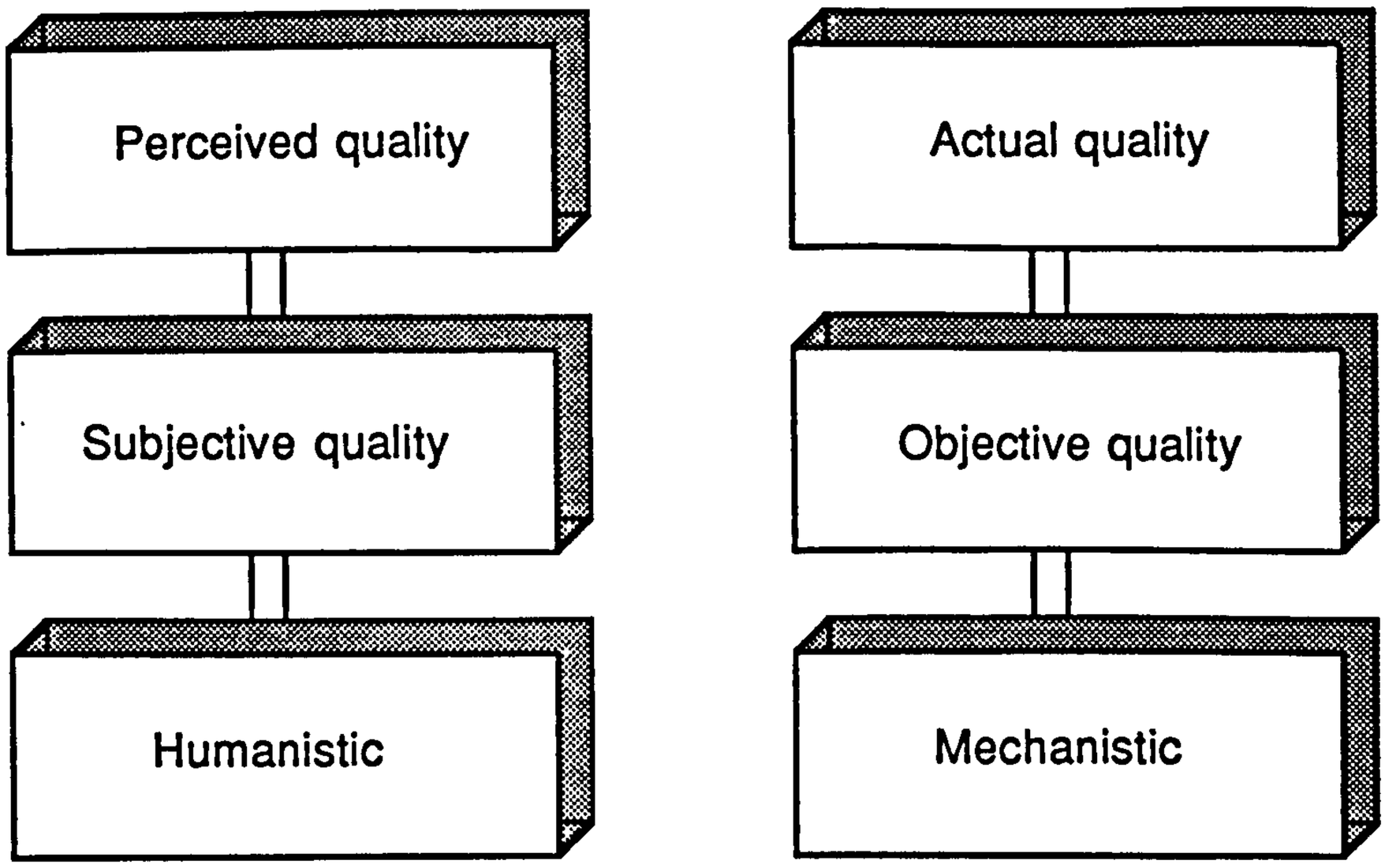
The services literature focuses on the concept of perceived quality. By perceived quality is meant the consumers judgement about a product's overall excellence or superiority (Zeithaml, 1986). Consumers arrive at this overall judgement by evaluating their expectations of the service against their perceptions of the performance of the service as outlined below in Figure 1.4.

Figure 1.4 Expectations versus Perceived Performance

Perceived quality is subjective, as has been explained above. If quality is subjective, then it exists only in the observer (consumer). Does this mean that

> *"... this quality that [we] make so much of, is just a fancy name for whatever [we] like?"*
>
> (Pirsig, 1974).

Perceived quality is described in the literature under synonyms such as humanistic quality and subjective quality.



Perceived quality, humanistic quality and subjective quality are based on the same principle in that they are:

> *"... a form of attitude, (they are) related but not equivalent to satisfaction, and (they) result from a comparison of expectations with perceptions of performance"*
>
> (Parasuraman, Zeithaml, Berry, 1986).

Jacoby and Olson (1985) distinguish between perceived quality (subjective quality) and actual quality (objective quality) by pointing out that it is:

> *"..subjective reality that determines most of human behaviour",*
>
> (Jacoby and Olson, 1985).

since the various responses of consumers such as purchase of a product/service or communication to other consumers, are a function of how the individual consumer interprets the tangible elements (the objective or external environment).

Objective quality is defined by Hjorth-Andersen, who discusses quality

> *"not as perceived quality but as objective (technical) quality".*
>
> (Hjort-Andersen, 1984).

As does Garvin in his study of productions operations of manufacturers of room air-conditioners in the USA and Japan. He has five approaches to defining quality, of which two are product and manufacturing based (thus objective quality) and one which is user based (subjective quality).

Holbrook and Corfman (1985) discuss quality by differentiating between mechanistic and those more humanistic in nature. Stating that:

> *"Humanistic quality involves the subjective response of people to objects and is therefore a highly realistic phenomenon that differs between judges".*
>
> (Holbrook and Corfman, 1985).

They continue that mechanistic quality involves the viewing of quality as:

> *"an objective aspect or feature of a thing or event".*
>
> (Holbrook and Corfman, 1985).

A form of objective measurement of quality could be by looking at market/sales shares and the lack of complaints about the product.

With the service product experience, however, such an objective measurement would be insufficient. The service product quality *has* to be subjective because its 'service' component is subjective. This is because the purchasing/consumption experience is rather diffuse and related to the consumers expectations which are derived from, for example, the individual's values, past experience, media influence and lifestyles, any possible form of measurement needs to consider these factors.

The literature on objective quality emphasises that the basic problem with the subjective approach is the equation, which is often made, of quality with consumer satisfaction. Although the two are inter-related, they are not synonymous. Satisfaction relates to a specific occurrence and incidents of satisfaction, and that these incidents amalgamate into an overall perception of quality.

For the purpose of this research, quality is taken as an amalgamation of occurrences/incidents with which consumers are satisfied. The issue arises as to what the nature of this amalgamation is. This begs the question of how satisfaction can be measured.

1.4 Concepts of Service Quality.

'Services' have been conceptualised as products where the activity component and associated characteristics are high. The position adopted here on the issue of quality is that it is a consumers judgement about a product's overall excellence. Linking these together, it is now possible to address the concept of service quality and the issue of how to *assess* or *measure* service quality. The concepts suggested by the literature for assessment of service quality focus on the principle that:

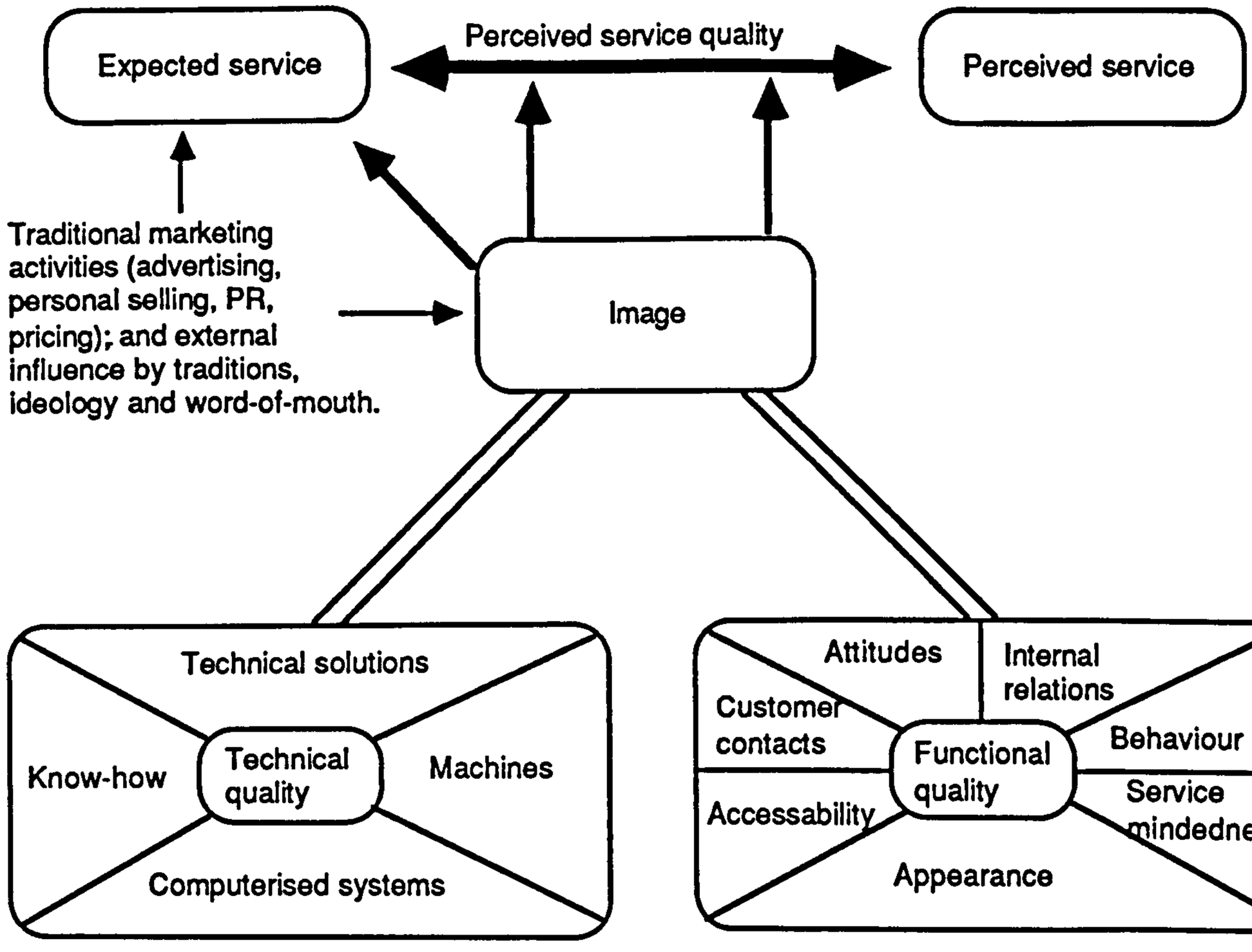
> *"Service quality is a measure of how well the service level delivered matches consumer expectations".*
>
> (Lewis and Boom, 1983).

Gronroos' (1982, 1983) model of perceived service quality (shown in Figure 1.5) indicates, as has been suggested by Lewis and Boom (1983), that the total service quality is perceived by the consumer and that it is a comparison between the expected service and the perceived service (Swan and Comb, 1976; Gronroos, 1982, 1983, 1988). In addition, Gronroos breaks the service product into two quality dimensions: technical quality and functional quality. Both are of importance to the consumer and perceived by the consumer as separate elements.

When expected service matches perceived service, consumer satisfaction is achieved. This may be a possible form of measurement of quality of the service product, that is by correlating expectations with perceived performance ideally at the pre- and post-purchase stage. If time and finance constrains this, a possible alternative could be for the consumer to evaluate the process in their own mind and evaluate their expectations with performance as a score in terms of *'Was the service better or worse than expected'.* Measurement needs to consider both the established technical and functional attributes. With satisfaction being a determinant of quality, Gronroos' model may need to be amended by including satisfaction for both technical and functional attributes.

Figure 1.5 Managing the Perceived Service Quality

(Gronroos, 1982).



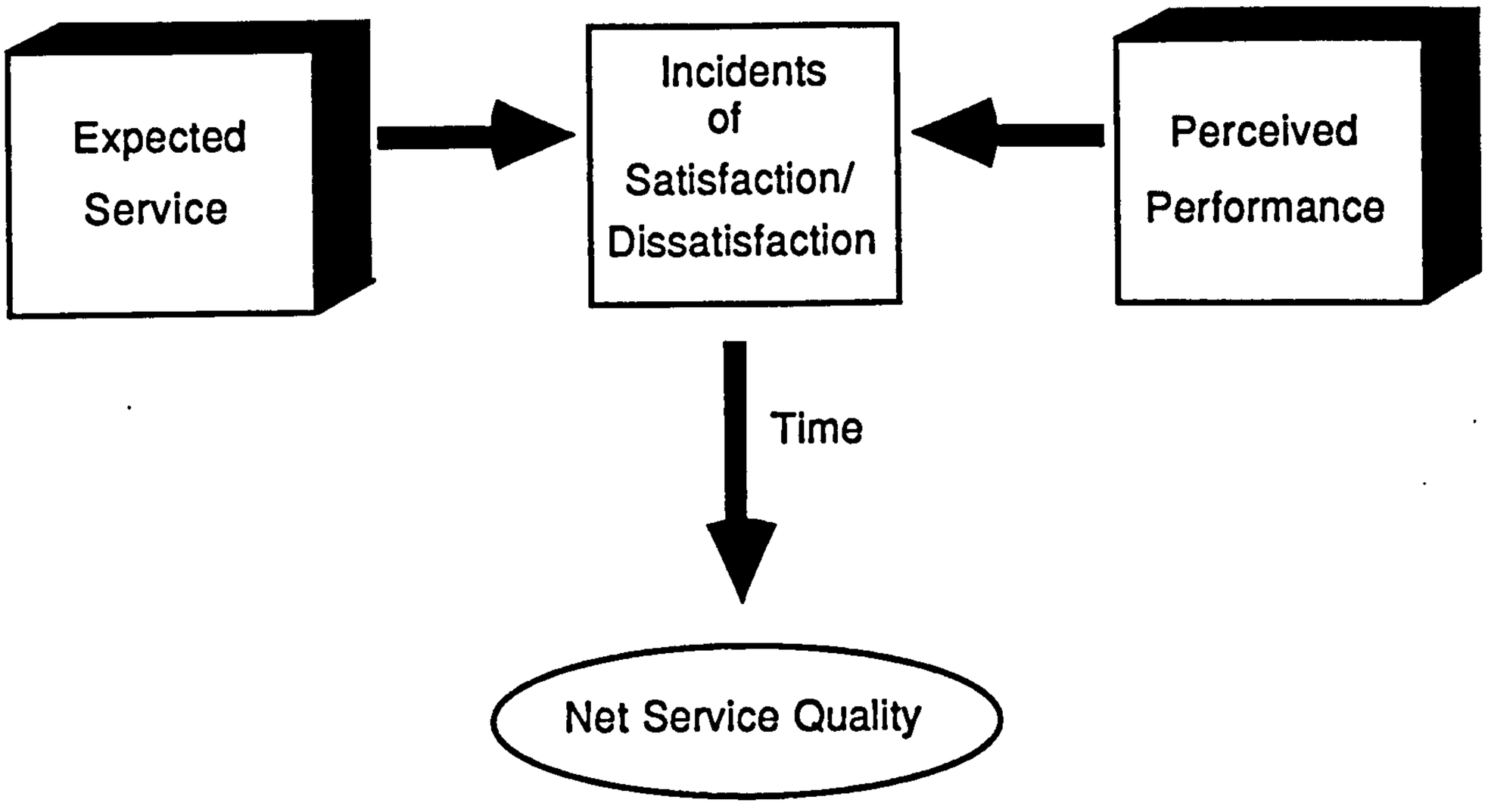
1.5 Satisfaction versus Quality

What then is the link between quality and satisfaction?

> *"...service quality is a global judgement or attitude relating to the superiority or excellence of the service whereas satisfaction relates to a specific transaction".*
>
> (Parasuraman, Zeithaml and Berry, 1986)

Satisfaction relates to specific incidents, whereas quality is an overall view which results from an amalgamation of the separate incidents. It would follow then, that the actual incidents of satisfaction need to be measured in order to assess perceived quality. Further, there needs to be examination of whether these incidents of satisfaction are additive or interactive. This allows for a further development of the model depicted in Figure 1.6, to include satisfaction.

Figure 1.6 Expectation, Perceived Performance and Satisfaction Related to Net Service Quality



Since quality in a service context is an assessment or measure of how well the service delivered meets consumer expectations, it is a highly subjective phenomena perceived by consumers. Therefore,

"Quality lies in the eyes of the beholder".

(Garvin, 1983; Nightingale, 1984).

Models developed by Nicosia (1966), Howard and Sheth (1969) and Engel, Kollat and Blackwell (1973) indicate that consumers form pre-purchase expectations of products. As the product is purchased, the consumer evaluates the perceived performance of the product to the previously established expectations. There has to be, then, some form of evaluation process by which the consumer compares and evaluates the extent to which his/her pre-purchase expectations are met or exceeded by the actual performance of the service product. The main consumer psychology theories which relate to consumer evaluation process are:

i) The Cognitive Dissonance (Assimilation) theory which states that if a consumer has a high-value expectation of a particular product or service and if the product or service received by the consumer is of low-value, a disparity would be recognised by the consumer. This would create a state of dissonance or *"psychological discomfort"* (Festinger, 1957). This existence of dissonance would lead the

consumer to adjust the perceived discrepancy between expectations and performance. One suggested method would be for the consumer to raise the evaluation of the product performance perceived, and thereby achieve satisfaction. In a way, the consumer would be deceiving his/herself into thinking that the product or service received was not so bad after all. Criticisms of the theory made by Rosenberg (1965), Cohen and Goldberg (1970), are that the theory assumes that the consumer who experiences cognitive dissonance does not learn from the experience. Instead, the theory assumes that the consumer will make the same mistakes against through his/her efforts to reduce post-purchase dissonance by means of justification and rationalisation of his/her decisions (Cohen and Goldberg, 1970).

ii) "Contrast theory implies that a customer who perceives a product less valueable than she/he expected will magnify the difference between the product received and the product expected". Cardozo(1965). This means that consumers will compare actual product/service performance to their individual expectations about performance. Satisfaction occurs if their expectations are met or exceeded. Dissatisfaction will occur if the received performance is less than expected. This would imply that providers should not promise more than can be delivered. This suggests that a slight understatement of a product's qualities might lead to consumer satifaction. He concludes that his laboratory experiment indicated that consumer satisfaction is influenced by the effort expended by the consumer, combined with expectations concerning the product to be purchased. Contrast theory is backed up by Spector's (1956) theory. He found that dissappointed subjects exagerated the difference between what they expected and what they received.

iii) The generalised negativity theory predicts that: If a consumer expects a specific performance from a product, but a different performance is provided, the consumer will judge the performance to be less satisfactory than if he/she had no previous expectations, (Carlsmith and Aronson, 1963). Again, producers need to create expectations which are consistent with what they can deliver to the consumer.

iv) A refinement of the contrast-theory (Anderson, 1975; Olson and Dover, 1976) seems to combine Spector, Cardozo and Festinger's ideas. The Assimilation-Contrast theory (Sherif and Hovland, 1961) suggests that

> *"Expectations serves as an anchor for the judgement of product performance, and assimilation will occur as a function of the level of difference between received and expected performance".*
>
> (Sheriff and Hovland, 1961).

If the difference is not too large, assimilation should occur, (as described by Festinger) but if there exists a large variance between consumer expectations and perceived performance, the difference will be exagerated (as described by Cardozo and Spector). To summarise:

Table 1.1 The Main Consumer Psychology Theories

Theory	Advocates that if	Consumer perceptions
Cognitive Dissonance (Assimilation)	P < E	P = E
Contrast	P < E	P <<< E
Generalised negativity	P < E P > E	P <<< E then also P <<< E
Assimilation + Contrast	(small) P < E (large) P < E	P = E P <<< E

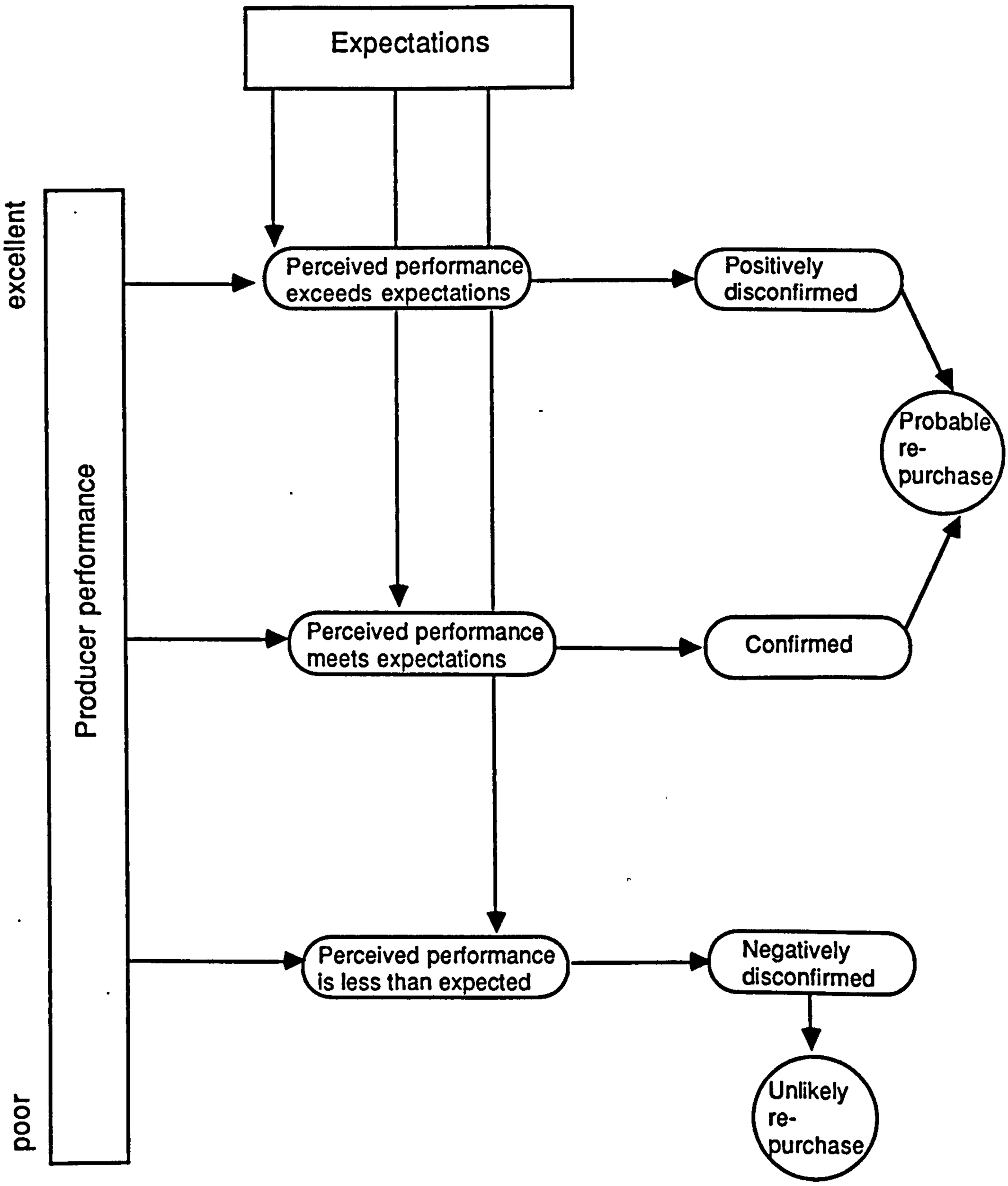
P = Perceived performance
E = Consumer expectations

1.6 Consumer Satisfaction

The applicability of the consumer theories discussed may vary for a variety of service and product types available. For example, consumer expectations may influence perceptions in a different way for a high financial or emotional commitment product than for a less personal or low cost product.

Although these theories do not address the issue of service quality as such, they do aid in our understanding of incidents of consumer satisfaction. The prevailing paradigm on consumer satisfaction, as shown in Figure 1.7, is that expectations can be negatively disconfirmed resulting in dissatisfaction; confirmed or positively disconfirmed (better than expected) with both resulting in satisfaction leading to desirable consequences such as repeat purchase (Booms and Bitner, 1981; Brown and Swartz, 1989).

Figure 1.7 Possible Gaps between Expectations and Perceived Performance



In the existing literature there is no study which has investigated the full set of interrelationships among these. Satisfaction is related to consumer expectations and producer performance which is perceived by the consumer. Disconfirmation is a mis-match between expectations and actual performance. Churchill and Suprenant (1982) investigated whether disconfirmation needs to

be included as an intervening variable which affects satisfaction or whether the effect is accounted for by expectation and perceived performance. However, they used as a model two types of products, which do not contain a high degree of performed activities. Others have claimed that their studies proved that satisfaction was related to perceptions alone. There is no doubt that previous experiences, perceptions and such all have an effect on the perception of quality of the service output. This enables the consumer to weigh the output of the service provided against an individual perception. From this, according to the disconfirmation theory, the assessment of satisfaction is made. The literature points out that consumers judge the service product on sets of elements, some are important as determinants of satisfaction, while others are not critical to satisfaction but are related to dissatisfaction when performance on them is unsatisfactory (Swan and Combs, 1976).

Gronroos (1980) states with regard to service industries, that sales and re-sales and indeed lasting consumer contacts, are largely influenced by the activities performed by the consumer/product interactions which emerge during the purchasing and consumption processes. Consumer satisfaction is a result of a three stage process. First, the service company has to respond to the needs of its customers. Secondly, in the purchasing process the scope of the customers need will become more defined. Thirdly, the customer will decide to purchase a service which he or she estimates to be the most value-satisfying. Finally, during the consumption of the service, the consumer can evaluate how the service which he/she receives actually corresponds to his/her perceived needs. As a result then, the consumer will be satisfied or dissatisfied.

Thus satisfaction is related to expectations, perceived performance, and the degree of confirmation/disconfirmation,

> *"It is an outcome of purchase and use, resulting from the buyer's comparison of the rewards and costs of the purchase in relation to the anticipated consequences".*
>
> (Churchill and Suprenant, 1977).

1.7 Conclusions

This chapter brings together two seperate bodies of literature, one concerned with *service* and the other concerned with *quality* in order to explore the nature of *service quality.*

First, the distinction made by authors between service and manufactured products is discussed. The inherent characteristics of services are used as a possible method of distinguishing between service and manufactured products. A preferential view is given, however, to those authors who view both service and manufactured products as being part of a generic product, with some products containing a larger degree of performed activities and others containing a larger degree of physical commodities.

Therefore, in conclusion, a service can be thought of as a product where the activity component and associated characteristics are high. The issue arises as to what such a product consists of. There are substantive hypothesis about what constitutes a service product, but little or no empirical information is available to allow acceptance or rejection of these hypothesis. Is a service product made up of *degrees* or a *mixture* of technical and functional components? Do consumers perceive one component as more dominant, and if so, which one and why?

Secondly, the concept of quality is addressed by questioning whether quality is objective and exists in the product itself, or if quality is a subjective phenomenon and exists through idiosyncratic expectations and perceptions of the consumer. The position adopted is that quality is a judgement made by consumers about a product's overall excellence. This judgement is based on incidents of satisfaction and dissatisfaction during the consumption process. Over time these incidents amalgamate into a final perception or overall judgement. The incidents of satisfaction are evaluated by consumers through a comparison and evaluation of expectations with perceived performance. There is not merely debate in the literature as to what quality is but there appears to be a real gap as to any empirical forms of measurement of the amalgamation of incidents which lead to a positive perception of the quality provided.

In conclusion, service quality can be considered as:

A judgement which is the outcome of the relationship between perceived performance and consumer expectations both on the individual and interactive effect of the attributes of a product where the activity component and associated characteristics are high.

The two bodies of literature have emphasised two key issues which when combined, are central to service quality. First, within the service literature the debate on what a service product consists of needs to be resolved. Secondly, the literature on quality shows the need to evolve empirically a model or approach of the assessment of quality. It is to these considerations that the thesis now turns.

CHAPTER 2

Definitions and Methodology

2.1 Introduction

This chapter explains the nature of the study undertaken and the methodology used. First, it is argued that the conference hotel service product is an appropriate 'vehicle' for examining judgements about overall service quality because:

(i) It is a clear example of a product where the activity component, and associated characteristics are high and,
(ii) it is a product whose quality is problematic.

Secondly, an appropriate methodology is developed in order to allow identification and measurement of overall service quality of the specific product. As will be shown, this took the form of a three staged inquiry:

(i) Identifying the relevant attributes which make up consumer expectations of the service product.[1]
(ii) Establishing the importance of each identified attribute.
(iii) Measuring the level of perceived performance of each attribute and the overall consumer perception of the service product.

2.2 Characteristics of the Hotel Conference Product

The hotel conferences product encompasses several characteristics such as the market, the specific service product, and the quality of service it provides and the consumer. These need to be described in order to create a clearer understanding of the issues to be addressed.

2.2.1 The Market

The growing need for knowledge exchange and transmission has generated the requirement for a specialist type of hospitality provision referred to in the industry as the 'Conference Market'. The UK hotel industry has recognised the potential importance of the conference market as a source of revenue and that it can be managed as an integral part of the hotel business. The British Tourist Authority, in its Conference and Exhibitions Market Survey, 1981-1984, indicates that there has been a steady growth in the use of hotels for conference purposes. In 1984, £258.7 million demonstrates a 15% growth on

1983 and a 40% increase on the market of 1982 (BTA Report, 1984). These reports have yet to be updated by the British Tourist Authority.

The national conference market can be categorised into the following sectors:

- associations sector e.g. cultural, academic
- public sector, e.g. trade unions
- corporate sector, e.g. companies.

The latter is the largest segment, which captures more than 50% of the market (McGill 1979). In the context of this research attention is focused on the corporate sector, primarily because it is the largest segment but also because of the sector's tendency to utilise hotels for conferences and meetings. It is the corporate sector which holds many thousands of corporate conferences with less than 100 delegates; and it is these which tend to utilise hotels. In fact, hotels are very important in providing for the corporate conferences, (Peat Marwick 1984). The literature indicates that the corporate sector can be sub-divided into four categories, namely, those conferences/meetings which deal with:

- market related functions
- personnel/training related functions
- business information exchange
- incentive travel.

These sub sections of the corporate sector have differing requirements which have to be recognised and provided for by the hotels.

UK hotels are attempting to extend the duration of conferences/meetings held on their premises by offering competitive 'packages'. By making the conference last longer than one day there is the possibility of increased profit by generation of room revenue.

This can be highly profitable since the average expenditure of a conference delegate is 2.5 to 4 times greater than tourist guests. In addition to this, the multiple room occupancy factor can be high if a social function is arranged in concordance with the conference thus encouraging delegates to attend with their spouses.

2.2.2 The Specific Service Product

The conference hotel product is a service rather than a manufactured good. The service, like most complex consumer products, consists of several components which can be considered broadly as encompassing things, activities and information. It contains a high activity component as opposed to manufactured products. In fact, the consumer of this service is purchasing a set of satisfactions which are obtained from *experiencing* these things, activities and information. Nightingale (1986) mentions that certain services provide a number of product related services. He states that these product related services are secondary to the main objective, i.e. the primarily person related services.

The level of "mixture" or combination of these things, activities and information (person and product related services) vary according to type of service product. As the conference hotel service product contains a high activity component, the associated characteristics such as intangibility, heterogeneity, inseparability and perishability are high, (also see Chapter 1, Section 1.2).

(i) Intangibility: This means that there is no complete physical form which can be perceived by the consumer at the pre-purchase stage, as an object or thing.
With reference to this research, clearly, the product provided by the conference hotel is in large measure a performance, which when purchased provides nothing tangible which the consumer can take possession of.
There are, however, physical components of this performance such as consumables and durables. These can be seen, tasted and touched, and may be taken as an indication of certain quality of service. In short, the tangibles facilitate the service and are an integral part of the service product, although they are not complete end products in themselves.

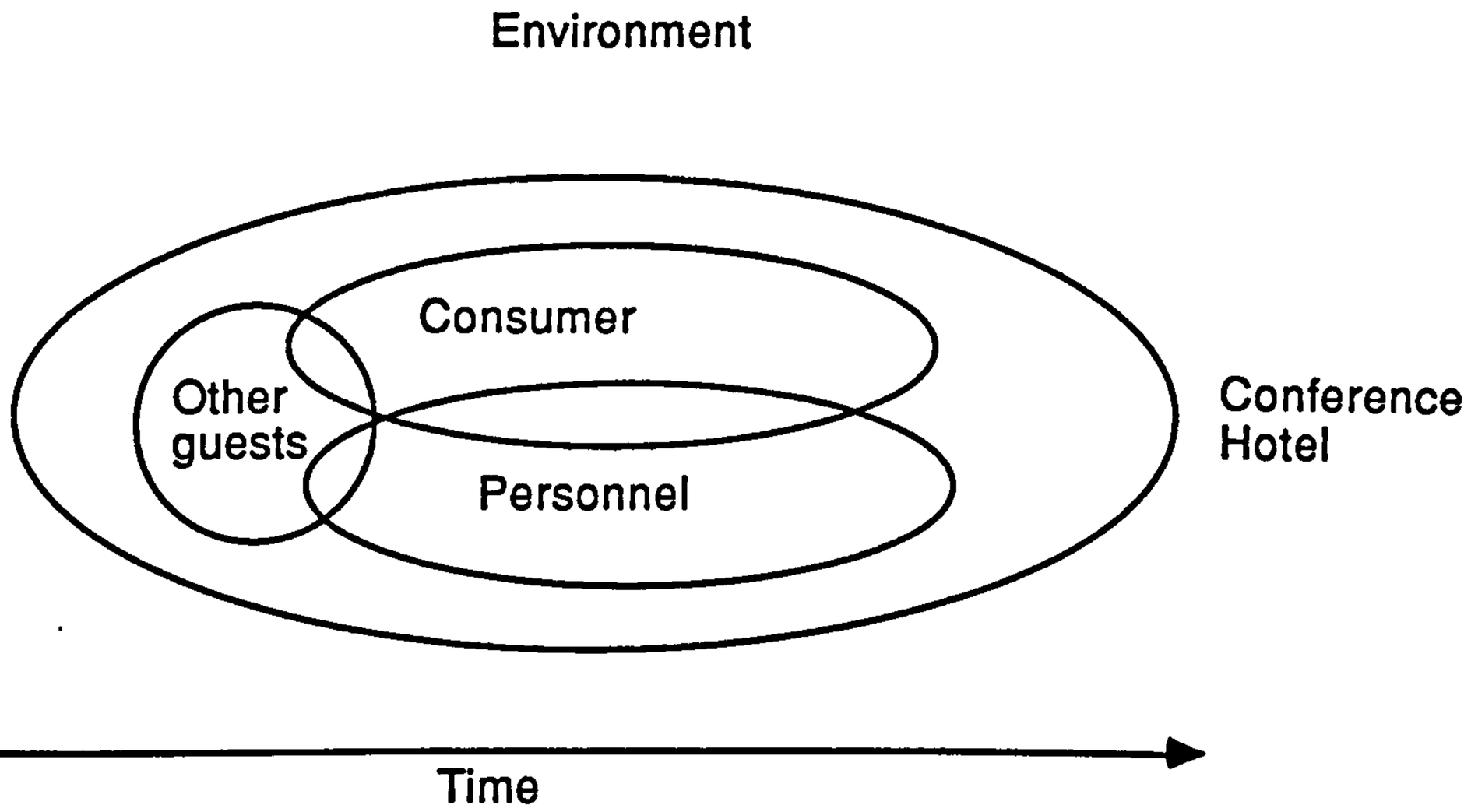
(ii) Direct consumer involvement in the production of the service: This means that a service is unique to the consumers requirements, and that standardisation of service is difficult or impossible. Linked to this, heterogeneity means that service cannot be pre-experienced or sampled since it differs for each consumer.
Whilst this is true of all first time purchases (both manufactured products and services) the key difference is that, if a manufactured

product does not fulfil its basic function, and proves to be unsatisfactory, it may be returned. A service is simultaneously produced and consumed and if the experience proves unsatisfactory it cannot be returned.
Again, the conference product incorporates some physical components which can be standardised and sampled, but also some elements of performance which are time or consumer-specific and may be neither standardised nor sampled in advance in any meaningful sense.

(iii) Inseperabilty of the production and consumption process. The service is an activity which is produced simultaneously with purchase and the service providers are often present and visible to the consumer. This means that people involved in the production and consumption process are part of the service product itself. Clearly there is a high level of interaction between people in the conference hotel environment and this introduces a degree of variance in the service provided, if the requirements of consumers are difficult to predict and control. Thus if management controls are to be anticipatory, management and staff need to be aware of the expectations of consumers.

(iv) Perishability of the service product means that a service is created upon purchase, it cannot be stored nor can it be resold. Thus the providers of a service cannot manage fluctuations in demand by producing for stock. Linked to this, time is a key characteristic of the service experience (Lovelock, 1981). Again, we can see that there are elements of the conference product which are both perishable and time-bound.

As discussed in Chapter 1, products can be differentiated in terms of relative *proportions* of physical commodities and performed activities. The Conference hotel product involves a relatively high proportion of performed activities and hence a high degree of the afore mentioned characteristics. The product can be thought of as: An environment condusive to effective communication experience over time.



2.2.3 The Quality of Service

In addition to the fact that the product of a conference hotel is a service, it is a critical example since its quality is problematic. Conference hotels appear to lack the facilities to enable satisfactory provision (Peat Marwick 1984). Moreover, it appears that facilities are not the only lack of provision, since there is evidence to suggest that the hotels are not providing the service which is required and expected by many a consumer. In 'An Investment Review of the UK Hotel Industry' (1983). Tiltscher asserts, although without giving any substantiating evidence, that

> *"The single most important area of weakness in the hotel conference market is the discernible shortage of personnel within the hotel industry trained to understand the requirements of the conference organiser [consumer]. In general terms, conference organisers continually complain that they come up against an inability or unwillingness, on the part of many hoteliers, to provide the kind of service required".*
>
> (Tiltscher, 1983).

It would appear that the providers of the hotel conference service product are aware of this to a certain extent. The marketing director of Crest Hotels Ltd. stated in his presentation at BAFTA in London (1988) that,

> *"As consumers become better off they become more discerning and more individual in their requirements, they have higher expectations of service - they need quality and are prepared to pay for it".*
>
> (BAFTA, 1988).

As has been discussed in Chapter 1, service quality is regarded as a judgement which is applied to products where the activity component and associated characteristics are high. In the context of this research the judgement is the outcome of the relationship between perceived performance and consumer expectancy, both on the individual and the interactive effect of the attributes to produce some overall judgement.

2.2.4 The Consumer

Consider, that service quality is a matter of judgement made by consumers. It was therefore important to ensure that information was obtained from those who had experience, knowledge, opinions and above all, memory of hotel conferences (Tull and Albaum, 1973). Thus the surveys would have to be directed at those informants who had organised a conference or meeting at a hotel and had *actually* attended. This would ensure that all informants had experienced (consumed) the hotel conference service product.

For the purpose of data collection, it was decided that the *consumer* would be defined as those corporate conference organisers who attended the meeting/conference at least some of the time in the hotel. This clause ensured that respondents had actually experienced the conference hotel service product environments.

2.3 The Social Surveys

No appropriate secondary data was available on the evaluative criteria which make up consumers expectations of the hotel conference service product. Hence, extensive primary data were required on topics which could not readily be explained by documentary research alone. A survey was the only method which could reasonably obtain attitude, opinion and factual data. In addition, a survey is a versatile method to use since a variety of survey designs are available (Marsh 1982). The uses of survey methods of all types has been well documented (Oppenheim 1966; Weisberg and Bowen 1977; Hoinville and Jowell 1978; Moser and Kalton 1981; Healey 1982; Marsh 1982; and Bailey 1987).

> *"The value of social surveys has also been established beyond all question and in widely different fields".*
>
> (Moser and Kalton, 1981).

Survey methods are essentially concerned with gathering information about behaviour and opinions from individuals, who provide representative information about a larger population. In this particular research, much of the subject matter is of a subjective nature and particular interview techniques may be applied to maximise the accurate collection of data. Survey research enables the development and testing of hypothesis and models and thereby helps,

> *"To establish a closer relationship between theory and practice"*
>
> (Bordon and Harding, 1981).

The survey approach is, not without its shortcomings and problems. It is without doubt that some surveys are inconclusive and poorly designed, as Hoinville and Jowell (1978) point out

> *"So many unseen factors can affect the accuracy of a survey that its validity must be demonstrated rather than accepted as an act of faith".*
>
> (Hoinville and Jowell, 1978).

In short, surveys need to be well designed and the results need to be interpreted in the context of the sample chosen. Whilst problems are apparent, as long as surveys attempt to measure scientifically social phenomena they can be an invaluable tool for the social researcher. This type of empiricism can enable explanations of process in social sciences, but the findings of an empirical study must be related to precise hypothesis. With this in mind, surveys can

> *"Provide a context for better informed judgements and better directed decisions"*
>
> (Hoinville and Jowell, 1978).

The study required a multi-staged survey approach. A panel of observation was followed by three surveys. Observation enabled general familiarisation with Hotel Conferences and their 'atmosphere'.[2]

The first survey needed to be exploratory in nature and was concerned with identification of the evaluative criteria (here after referred to as attributes). These criteria would define, from a consumer's perspective, what the specific service product in question consists of. Once these attributes had been identified, their levels of importance needed to be established and this was the

subject of the second survey which was quantitative. Finally, for the important attributes identified it remained to measure the level of perceived performance on each individual attribute and this was the purpose of the third survey.

2.4 Sampling and Conduct of the Surveys

As stated by Moser and Kalton (1981), it is important to define the population to be covered. However in this instance the population is not easily definable. Basically, all corporate conference organisers and indeed delegates are consumers of the conference hotel and the universe is continually changing as new consumers enter the market There exists no single database which includes all consumers of the conference hotel environment. It was therefore impossible to obtain a sample which would be representative of the population, since the population was not known. Thus, a population had to be identified to facilitate sampling.

> *"Deciding what sample size to use is almost always a matter more of judgement than of calculation"*
>
> (Hoinville and Jowell, 1978).

The consumer had to attend a meeting or conference which involved a minimum of 10 delegates and a maximum of 500.[3] In order to overcome the difficulty of differentiating between corporate conference organisers and delegates, it was felt that a consumer would have to be a delegate and an organiser who attended the conference as well.[4] From these criteria, the population was stratified into three sample populations.

Obviously, the most accurate picture occurs if all of the population, all corporate consumers of conference hotels, is sampled. The sample allows one to make approximation about the whole population, this approximation is not absolute but is instead probablistic.

2.4.1 Sample Population for the Qualitative Survey

In view of the time and financial constraints, it was decided to limit the sample population for the in-depth interview stage to companies who fulfilled the following criteria:

(i) They were based in 5 cities drawn from the South of England.

(These cities were chosen to achieve a spatial distribution within the South of England, and due to ease of access by the researcher using public transport).

(ii) They were listed in the Kompass Directory. (The Kompass Directory is a register of British industry and commerce). From the register a random sample was taken from each specified city.

(iii) They were holding a conference or meeting in a United Kingdom hotel during the last twelve months. This requirement would give information which was relatively recent.

(iv) The corporate conference organiser to be interviewed had to be a delegate as well. This clause would allow the respondent to comment on the actual consumption of the service product.

It was decided that respondents from thirty companies would generate a comprehensive set of dimensions for the exploratory stage, given the in-depth qualitative nature of the survey.

Initially, a sample was taken from the Kompass Directory from within each specified city, by employments size. The employment size was stratified into three categories these represented small (50-250), medium (251 - 1000) and large companies (1000+).

The minimum of 50 employees was chosen, since the English Tourist Board in the Conference and Exhibition Market Survey 1984, define a conference/meeting,

> *"... as 15 or more people meeting on the premises"*
>
> (E. T. B. Report,1984).

It was therefore believed that, most companies required a minimum of 50 employees to warrant regular usage of conference hotels with a minimum of 15 delegates attending. In addition, some local companies with a small number of employees had been contacted via telephone concerning the utilisation of conference hotels. The frequent reply was, that they either were not large enough or did not have the finance available to hold external meetings.[5]

As a result, from the specified population, a random sample was taken of 6 companies within each of the 5 specified cities. This gave a total of 30 companies fulfilling the set criteria from which the exploratory interviews took place. If a company selected did not grant an interview, that company would be discarded from the sample and a new company would be selected via the sampling procedure.

In some instances, companies felt that it would be more appropriate if personnel from their head office were interviewed. These initiatives were followed; as a result not all interviews took place in the cities initially chosen.

2.4.2 Sample Population for the First Quantitative Survey

The Times Top 1000 Companies was the sample population selected for the second stage, namely the initial postal survey. Whilst it was recognised that the Times Top 1000 companies do not form the majority of the meeting/conference purchasers the cost of obtaining responses from smaller companies engaged in the conference business was found to be extremely high because of the low density of active users.[6]

In addition, the Financial Times (September 2, 1986) reported in their conference and incentive travel survey report that

> *"... about a third of the Top 1,000 British companies had used some form of conference or incentive travel".*
>
> (Financial Times, 1986).

Most large employee size companies would a) have a large enough workforce to warrant external meetings and, b) the larger companies were financially able to utilise conference hotels for their external meetings. Thus a population consisting of companies with a large number of employees and/or companies with considerable finance to warrant expenditure on external meetings were to be contacted.

Clearly such a sample population was not a balanced cross section of U. K. business, nor was it likely to be representative of *all* corporate conference consumers. The population would exclude several companies who do hold conference/meetings, and these need to be recognised as a disadvantage with the sample frame:

i) Employee and financially large companies may have their own internal conference facilities, thus not needing external facilities.
ii) There are small businesses with regard to employment size, who may be extensive users of hotel conference facilities, such as consultancy businesses.
iii) Companies may use external conference facilities such as universities, conference centres, municipal facilities or hold conference/meetings abroad.

However, these disadvantages were outweighed, since such a sample population has two distinct advantages:

i) Most companies within the sample frame are potential respondents; in that companies in this group are likely to be major users of conference facilities. This fact increases the cost effectiveness of data collection.

ii) The sample companies are not only major users of conferences, they are also likely to be experienced and demanding conference users. Their expectations will set standards which represent a high quality.

This sample population, would therefore be appropriate for sampling respondents to establish levels of importance of those relevant attributes identified in the exploratory survey.

In order to maximise the highest possible response, the questionnaires were addressed to three different people within each company. The exploratory survey had identified which key persons might be the possible corporate conference organisers, namely Personnel Manager/Director, Marketing Manager/Director and Managing Director. There was, however, no one particular identified position to target the questionnaire. Hence, it was felt that within a company at least three departments had to be contacted.

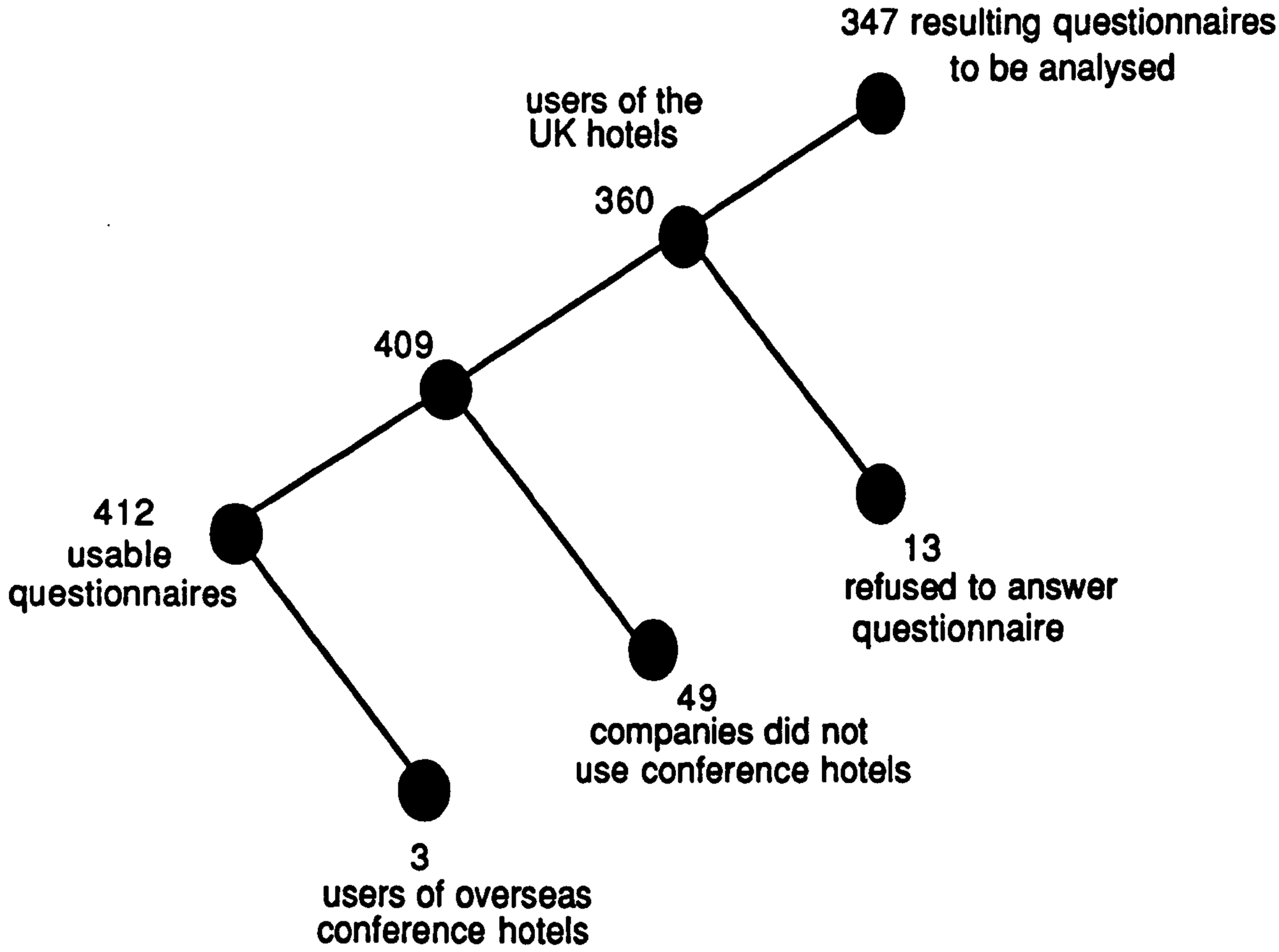
In addition, the element of an incentive had been emphasised in the literature. Hence, a pre-paid addressed postcard was enclosed offering free inclusion on a database of hotel conference consumers, being established by the English Tourist Board. Sponsorship of the questionnaire may increase the response rate by adding authenticity. The English Tourist Board logo was therefore added to the front page of the questionnaire in the appropriate colour scheme.

As a result, an introductory letter explaining the project (see Appendix VII), a pre-paid addressed postcard with free access to the English Tourist Board database, an addressed return envelope and a questionnaire were mailed to three people within each company on the database listing.

The response rate was 45.7%, since 412 questionnaires were returned from a sample of 900. Some of these questionnaires were invalid since the respondents last experience was at a non-U.K. conference hotel or the

company did not use hotels for meetings/conferences. The breakdown of questionnaires is conceptualised below in Figure 2.1.

Figure 2.1 Breakdown of Questionnaires



To avoid the possibility that more than one questionnaire from each company was included, only the first questionnaire to be returned from each company was accepted. This resulted in the final sample size of 347 questionnaires which were valid for the use of data analysis.

It was assumed that, even though the respondents did not complete the questionnaire, if they had been interested in conference/meetings, they would at least complete the enclosed free postcard. However, the response for this was lower, approximately 15%, than the relatively high response rate for the returned questionnaires. This was a clear indication that the 'carrot' in this case, was insignificant to those respondents willing to complete the questionnaire.

Some returned questionnaires did not have the last section completed. This could be attributed to the fact that respondent did not attend the conference at the hotel and could therefore not comment on the questions. A description of the survey results can be found in Appendix II

2.4.3 Sample Population for the Second Quantitative Survey

The sample population for the third and final stage, were 390 hotel conference environment consumers. These consumers were identified by managers of the actual hotels participating in the survey. The population was biased, in that the hotels which participated in the survey were all located within seaside resort towns. Clearly this excluded from the sample those corporate consumers who, for example, only utilised facilities in London hotels.[7] Thus, the sample for the final survey is not a true representation of *all* corporate hotel conference consumers within the U.K.

However, these disadvantages were outweighed by several distinct advantages which warranted the use of such a sample. Both the qualitative[8] and the first postal survey had revealed the difficulty in identifying the key person(s) to target the questionnaires to.[9] The qualitative survey had identified three possible types of positions within companies by asking who was responsible for organising conferences, namely, personnel manager or director, marketing manager or director and the managing director or secretaries thereof. In fact, the first postal survey had to contact three departments within a company since there was no *one* particular person to target the questionnaire to. This method was highly successful[10], but, proved to be expensive and time consuming. Bearing in mind that for the second postal survey a swift response was important and that cost had to be kept to a minimum,[11] it was decided that the questionnaire had to be targeted at identified consumers. This would mean that recipients of the questionnaire had in fact experienced the hotel conference environment within the last year and should therefore be able, in theory, to complete the questionnaire.

The same obstacles were encountered as those that presented themselves during the first two surveys. There existed no single database which contained all consumers of the hotel conference environment.[12] It was decided that the best possible method for gaining access to consumers was to involve the actual hotels themselves. The hotels would contain the sources and information as to whom their consumers were. This would reduce the cost, since the number of questionnaires to be printed and mailed would be

reduced significantly since the response rate was expected to be quite high with such an identified sample population. In addition, there would not be the extra cost of purchasing a database facility.[13]

A consortium of independent hotels was willing to participate. The hotels within the consortium were contacted, initially, through advertising brochures provided by a consortium of independent hotels. In each of the three towns which were involved, 13 hotels participated.

As a result, 10 questionnaires together with introductory letters and return envelopes were mailed to the hotels. Management then addressed the envelopes and mail the questionnaires out to their consumers. The return envelope was addressed to the researcher to avoid the possibility of hotels vetoing responses given by the consumers.

Approximately 390 questionnaires were mailed out to 39 hotels. However there was no guarantee that all of the participating hotels actually sent the 10 questionnaires to their consumers. This means that the response rate is probably higher than the calculated 34.1%. In total 133 questionnaires were returned. A description of the survey results can be found in Appendix V.

Again, as with the first postal survey, the returned questionnaires had no means of identification, the reason being that the participating hotels did not want to identify their clientele to the researcher. Even without a follow-up, as had been suggested in the methodology literature, the response rate was sufficient to warrant detailed statistical analysis.

Both postal surveys may have been biased in that the respondents were self-selected: for example, perhaps only those who had a bad experience completed the questionnaire. This would then skew the distribution of data. It is, however, far too complex to ensure a 100% response rate, and it is sometimes just not possible to obtain all the data one requires. For example, the participating hotels would not participate in a follow-up survey or they did not allow follow-up telephone calls which may have increased the return rate.

2.4.4 Nonresponse Errors

Nonresponse errors are widely discussed in the research methods literature (Moser and Kalton, 1981; Healey, 1982; Parasumaran, 1986; Bailey, 1987; Churchill, 1987;). The consensus being that nonresponse error represents a

failure to obtain information from some elements of the population that were selected for the sample. Within the context of this research, a certain percentage of the samples chosen refused to co-operate in the surveys. These refusals are termed 'nonresponses'. The question which arises is 'Do the nonrespondents differ as a group from those who did respond in the surveys?' For example, the group of nonrespondents may have in common that they are all representative of the financial services or that they represent all those who are in a senior management position. This would have substantive implications on the analysis of the data collected. The conclusions drawn from such an analysis would have to bear the limitations of the sample (and nonresponse group) in mind.

However, upon review of the background information to each case no. (returned questionnaire) of the surveys undertaken, it was observed that there were no unit/s of the defined survey population in the sampling frame which were not represented. All the possible categories in the questionnaire, for example, employment size 251-1000 or management training, were represented. This indicates that there must be some other biasing characteristic in the nonresponse group. These can vary from probable respondents not being interested in the subject, or, the potential respondent may be too busy to participate. Several respondents indicated that it was against company policy to participate in surveys.

Inference can be made that the nonresponse group did not significantly differ from those who participated in the surveys. Hence, the analysis of data and any subsequent conclusions can be seen as a representation of the sample population.

In addition, the returned questionnaires were checked for bias related to the time of return. That is, to determine whether there is a difference in responses given in those questionnaires which were returned first as opposed to those questionnaires which can back last? It was found that there was no relationship between time of questionnaire returned and type of responses given. The details of this are discussed more fully in Chapter 6, Section 6.4.

2.5 Methods of Data Collection Considered and Chosen

In social survey research the principal methods of data collection are:

- documentary
- telephone interviews
- observation
- personal interviews
- postal questionnaires

(Moser and Kalton 1981; Healey 1982; Parasumaran 1986; Bailey 1987; Churchill 1987).

2.5.1 Documentary Method

Documentary sources can be used to supplement data obtained by other methods, or it can be used solely for secondary analysis. For the purposes of this research, there was no certainty that any list of attributes derived from other research, would have been either relevant or sufficiently comprehensive.[14]

2.5.2 Telephone Interviews

Telephone interviewing has become an increasingly popular method (Bailey 1987). This type of survey is usually used for quick and short surveys such as opinion polls. Although the use of such a survey, as a cheaper and quicker alternative to personal interviewing is advantageous, the telephone survey has a number of disadvantages:

- In depth discussion cannot readily take place, since the length of such interviews is short, with a 20 minute maximum (Belson 1986).
- Anonymity tends to discourage the disclosure of sensitive information.[15]
- The use of a telephone eliminates the use of visual aids.
- The attention span and interest of the respondent can decrease rapidly, through such problems as; distracted activity within the work environment and bad telephone lines.

A telephone survey was inappropriate for the exploratory study since in-depth information was required. In addition, a telephone survey was inappropriate for the 2 quantitative surveys. The telephone technique would *not* be a cheaper alternative, since a large population had to be covered, and the

questions which needed responses were far too numerous to discuss in a short telephone call.

2.5.3 Observation

Observational was the principal technique used for the collection of non-verbal data. Observations are often conducted as a preliminary to surveys. It would not have been possible to become familiar with the conference hotel terminology and 'atmosphere'[16] from a review of the literature. However, it would have been impossible to obtain all the information required from the surveys by the use of observation techniques alone. Perceptions, attitudes and judgements, with which this study was principally concerned, cannot be discovered by observation.

2.5.4 Personal Interviews

Most information was obtained initially through personal interviews and secondly through the use of postal questionnaires. Personal interviews with consumers[17] was the chosen method for exploratory data collection, where the main purpose was to elicit detailed and extensive information. An unstructured interview style was chosen. There were no pre-set questions, but a list of open ended questions was used to provide flexibility and allow for unanticipated responses. The main advantages of a 'free style'[18] interview are:

- Extensive qualitative information may be obtained through informal discussion of the respondents.
- Spontaneous probing allowing the respondent to elaborate on responses
- The interviews may be tape recorded in order to capture all the data given during the interview, and facilitate post interview information retrieval.
- Extra information about the respondent may be obtained through observation of their work environment
- Identification of interviewee which ensures a certain degree of control and precision in responses. In fact, out of 30 respondents interviewed, 2 were deemed as inappropriate for inclusion in the data since upon interviewing they were identified as the 'inappropriate' person to be interviewed.[19] They could therefore not discuss all the topics which needed responses.

One clear disadvantage of an unstructured, in-depth personal interview was that they involve time and considerable transport costs. This financial constraint reduced the geographical scope of the exploratory study to those companies which were located in the South of England.

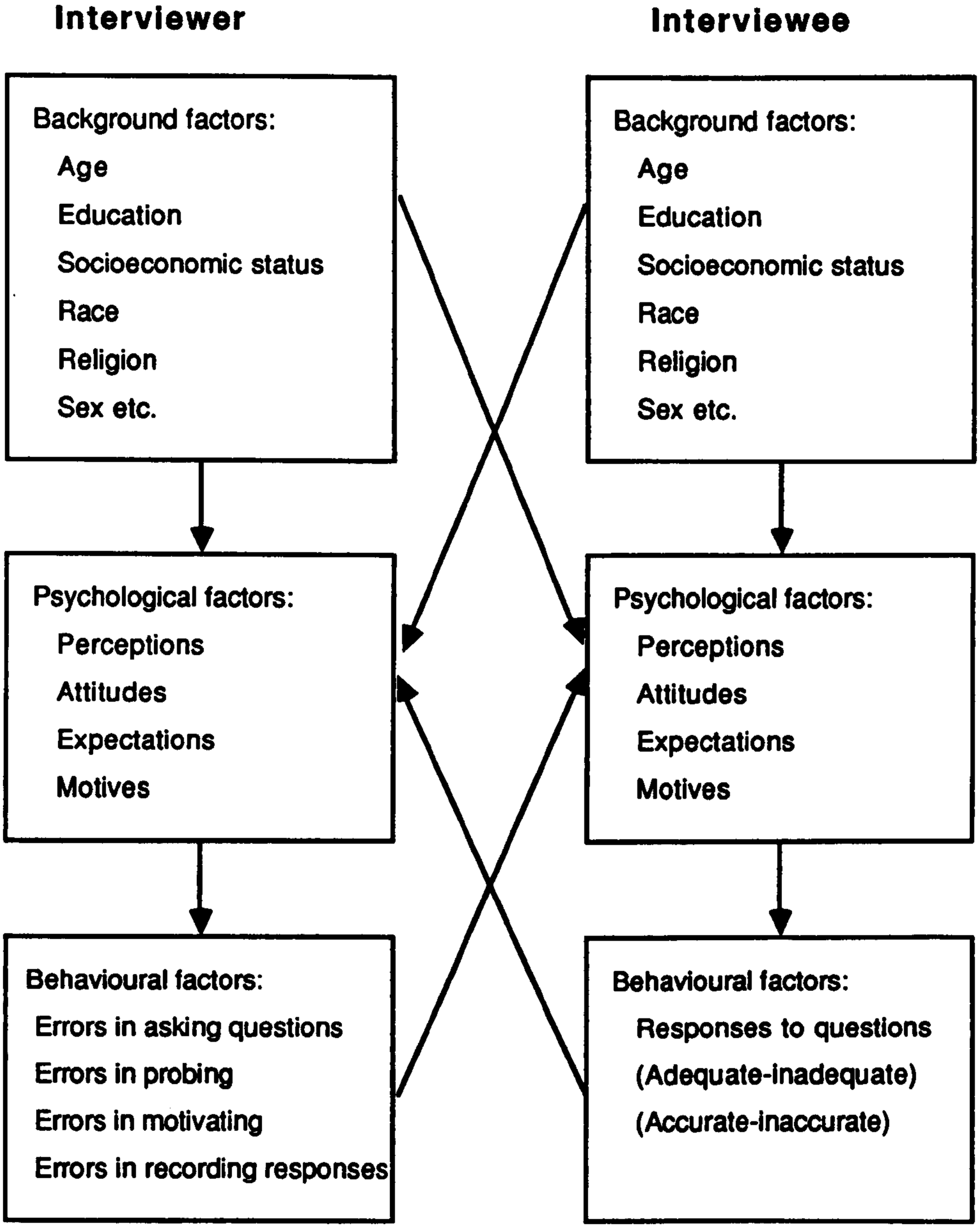
In addition, a number of factors can create bias and cause errors in response. These factors are depicted in the interviewer-interviewee interaction model proposed by Kalin and Cannell (1957) (see Figure 2.2).

Churchill (1987) observes that this model offers valuable insight on how possible response errors can be reduced by being aware that, for example, a respondent's background is going to affect the responses given. That particular factor of the model can also be applied to postal surveys.

In short, the disadvantages of this type of interview technique were outweighed by the in-depth quality of information obtainable through such a method, and was therefore chosen to collect the exploratory data.

Figure 2.2 Possible Personal Interview Bias

Source: R. L. Kahn and C. L. Cannell, (1957).



2.5.5 Postal Questionnaires

The main body of quantitative data was obtained through the use of two postal surveys. In both cases a fully structured questionnaire was used. The advantages of mailed questionnaires are:

- A large, geographically scattered population can be reached relatively cheaply. This allows for a large sample to respond to the questionnaire and for data which can be utilised in important forms of statistical analysis,

- Although the actual questionnaire in a mailed study tends to be expensive, with high quality paper, colour printing and postage, the final cost is cheaper than personal interviews. The interviews in this study cost an average of £30 per interview, clearly a postal survey cost far less than an interview study of the same sample size,
- The questionnaire can be completed at a time convenient for the respondent. In addition, the mailed questionnaire allows the respondent to consult her/his records before answering, enhancing a true response,
- The time factor is important, since with a mailed questionnaire the replies are returned within a few weeks. In addition, the questionnaires were mailed at the same time, whilst interviews are generally conducted sequentially and take a long period of time to complete.

Although the postal survey method is a useful technique, users of them should be aware of the disadvantages such as a low response rate, and difficulty in ensuring that all the questions are answered. In addition, a fully structured questionnaire is inflexible. However, with the prime objective of the postal survey was to collect quantitative data from a highly geographically scattered sample, the advantages outweighed the inherent disadvantages of such a method. Such a sample would be expensive to study with a personal interview method.

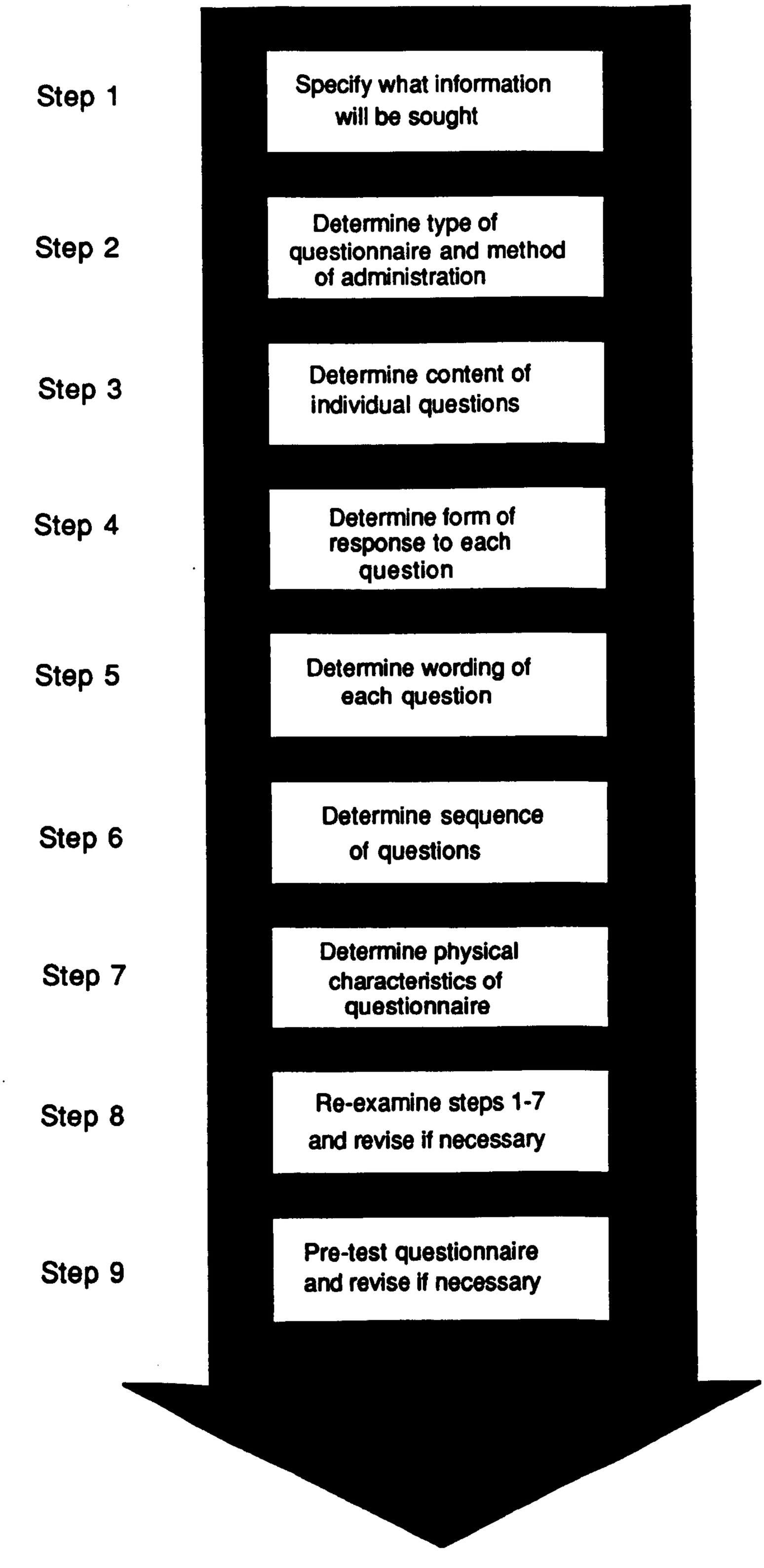
2.6 Designing the Questionnaires

The design of the questionnaires to be used as a data collection instrument in the surveys is crucial (Oppenheim; 1972, Moser and Kalton; 1981, Belson, 1986; Bailey, 1987).

> *"In general, the chief goal of questionnaire construction is to construct an instrument that will not only minimize non-response, but will also ensure that the information collected is complete, valid and reliable. The best questionnaire for accomplishing this goal is generally relevant, non ambiguous and has clear answer categories that are easy to respond to".*
>
> (Bailey, 1987).

Churchill (1987) summarises the procedure for developing a questionnaire in a guide/check list format as follows:

Figure 2.3 Developing a Questionnaire
Source: Churchill, G. (1987).



The questionnaire must convince the respondent that the questions posed are relevant not only to the goals of the research as a whole, but also to the respondent. Irrelevant or ambiguous questions may cause frustration and considerably reduce the possible completion of a questionnaire.

One possible solution to avoid the pitfall of irrelevance is to derive the questions from a pool of knowledge, such as an exploratory survey. In the context of this research, the exploratory study gave a clear indication as to what topics should be addressed in the further collection of data.

Ambiguous wording can be difficult to avoid, since certain terms themselves are vague and ambiguous. Such specific terms as, syndicate room, delegate, courteousness of staff and dependability of staff, etc. although still having a variety of subjective meaning, may only be known by those respondents who are involved with such terms. This did not pose a great problem in that the postal surveys were not mailed to the general public - but to those identified as possible consumers of such a product. The respondents would have to be conference organisers as well as delegates at conference hotels and therefore would be familiar with the specific terminology.

In addition, care should be taken to ensure that questions are not double barreled, since this may include two questions or more in one. Nor should they be prompting, causing bias in response.

In short, the questions should seek to avoid ambiguity and be as short as possible. The questions should refer to a concrete and specific matter with specific answers. The questions can be open-ended in which responses are not categorised or specified. Or the question can be closed-ended, if all questions are closed-ended then the questionnaire referred to as being fully structured. The advantages of a fully-structured questionnaire are:

- The responses are standard and are therefore comparative, this enabled uniformity of information provided from person to person,
- Time is saved since the answers are easier to code and statistically analysed,
- The respondent is often clearer about what is asked since the given answers can be used to aid interpretation and the questions are often easier to answer since the respondent merely has to chose a category.

Some disadvantages of a fully-structured questionnaire are:

- It is easy for a respondent to guess the answer,
- The appropriate category for his/her answer may not be provided and therefore there is no opportunity for response,
- Differences in the interpretation of the questions will go unnoticed,
- Forced choice responses eliminates variation and or clarification of answers.

Bearing in mind that the information required from the postal surveys was specific and that answer categories were discrete, distinct and few in number, a fully structured questionnaire was chosen as the means for collecting the data.

The questionnaire for the first postal survey was divided into three sections. (See Appendix III). A brief explanatory description accompanied each section to aid respondents in understanding the questions and to avoid mis-interpretation. Section One provided background information on the respondent. To avoid forced choice responses an 'other' category allowed for responses to be obtained which had not been pre-set in the design of the questionnaire. For example the question *'what is the nature of your company'* contained 9 pre-set responses taken from the Standard Industrial Classification list. A further response category was added with the title *'other'* to allow respondents to specify what they felt the nature of their company was if it did not fall into the Standard Industrial Classification list. Responses such as:

'retail' case no. 042
'pharmaceuticals' case no. 019

would allow for variation or classification of answer.

The same principle applied for the question *'what is your position within the company'* the *'other'* category collected answers such as:

'secretary to chairman' case no. 042
'chairman' case no. 050
'personnel administration officer' case no. 091

Section Two obtained the levels of importance of the attributes. The responses were standardised on a scale of 1 to 4 to enable uniformity of information and allow for statistical comparison of the data obtained.

1 = Unimportant
2 = Some importance
3 = Important
4 = Very important

It was observed that respondents who did not feel that they could respond to the questions within the limits of the pre-set scale would state so or omit the question. For example, case no. 044 responded to the question *'reasonable quality of food'* with a 5 and wrote *'outstanding'* which is outside the maximum limit of 4 on the pre-set scale.

Some respondents felt that the 54 attributes specified did not cover what they perceived the important attributes to be:

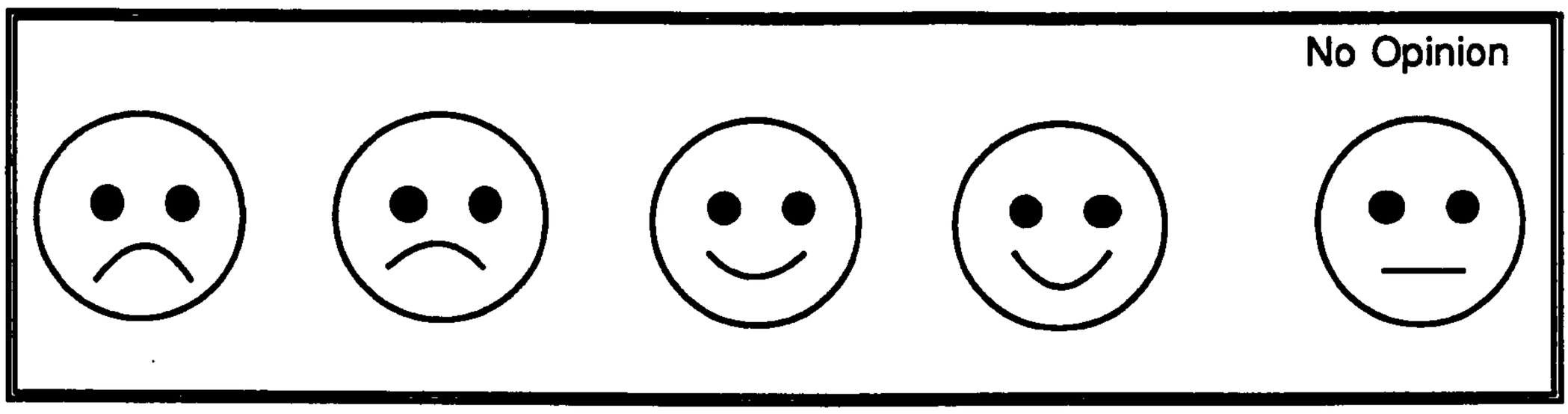
Case no. 083 added a question *'air conditioning'* and responded with a 4.
Case no. 059 also added a question *'location'* and gave it an importance answer of 1000.

These additions indicated that respondents will express themselves if they feel strongly about a question of format. Although these responses proved to be interesting they were not standard responses and could not be used for comparative purposes and were therefore omitted from the data included in analysis.

Section Three dealt with the last meeting/conference the respondent had organised and attended at a hotel. Again, the responses were pre-set but there was the availability to specify a response in the *'other'* category for questions relating to attendance and conference type.

A diagrammatic rating scale was used in this section to determine what the respondents perceived their last experience at a conference hotel was. They were requested to indicate for each question which picture best related to their last experience. The dimensions of the scale were in a set of categories and not a continuum. It was felt that by re-positioning the 'no opinion' picture out of the scale, respondents would be forced to indicate either a positive or negative response. The problem is of course that some respondents may have

perceived certain questions to be neutral. However, the aim was to use this scale for comparative purposes with the previous sections. Hence, the preference of having both scales with four categories.



Some respondents wrote concluding remarks on the questionnaire to express any further opinion they had. One stated:

> *"What a bad questionnaire, of course all aspects of staff are vital, that's what you pay for!"*
>
> **(Case no. 114.)**

This was not taken as a reflection on the design and format of the questionnaire, but that this particular respondent felt that most of the attributes relating to staff and management were undoubtedly expected to be provided.

Another respondent wrote:

> *"We had a disastrous meeting at this hotel [name] which was fully admitted by them. Food appalling, and equipment not as directed. We have used [this] hotel before on several occasions. [They] apologised and offered to have discussions but have not even bothered to follow up".*
>
> **(Case no. 341.)**

This respondent clearly had a grievance with regard to his/her last experience. There were several respondents who commented on an experience in a positive way stating that the well known Scottish hotel was excellent (Case no. 019).[20]

2.7 Conclusions

The conference hotel service product which can be thought of as an environment condusive for effective communication has been shown to be a useful vehicle for examining how judgements about service product are arrived

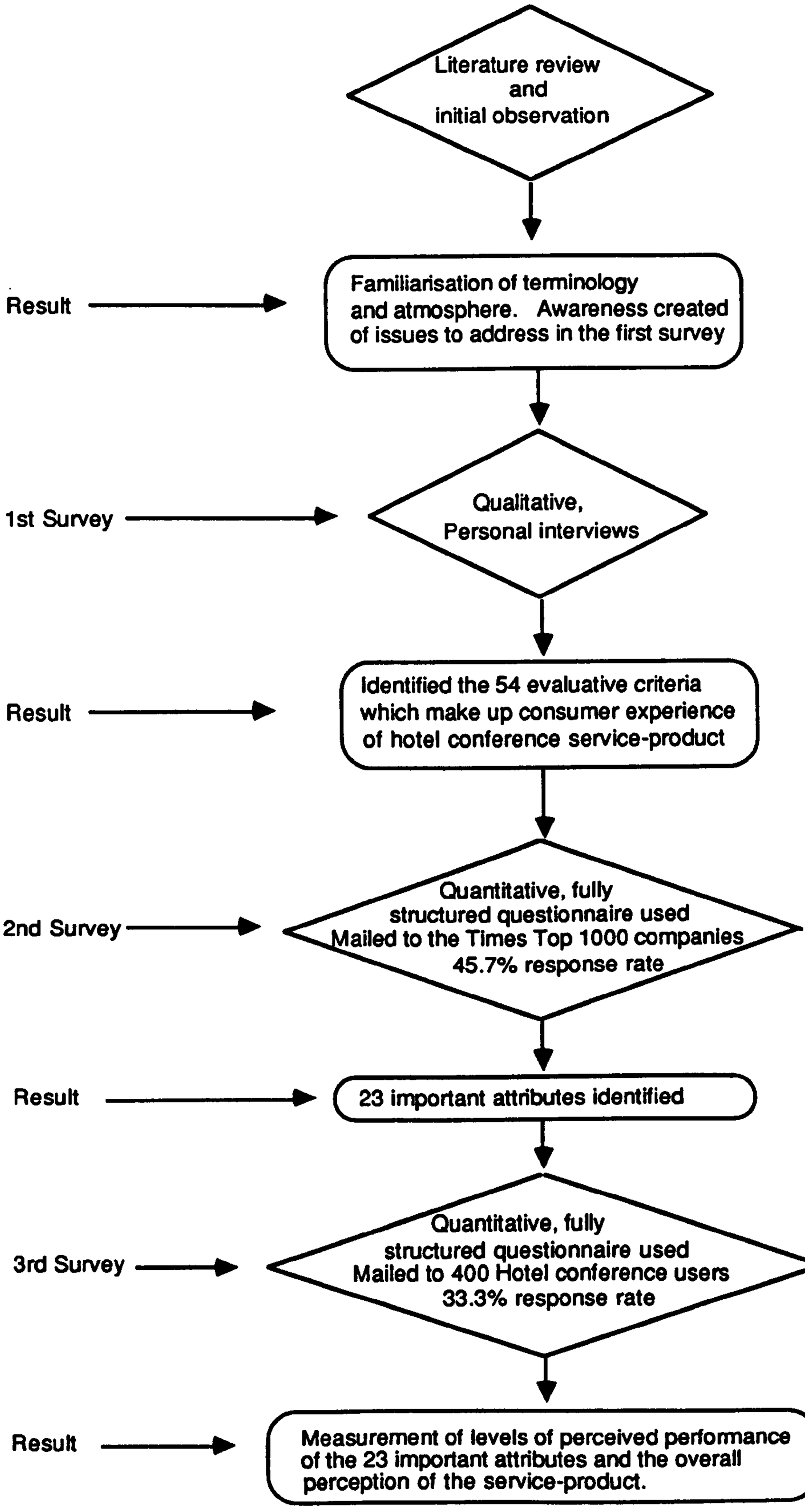
at since a) this particular product is a clear example of a product with a high activity component and b) its quality is problematic.

A multi-staged data collection process identified not only the relevant attributes which make up a consumer's expectations, but also provided information on the levels of importance and perceived performance of each attribute. This is conceptualised in Figure 2.4 over.

A major effort was made to take out the conscious bias in the sampling procedure, to try to eliminate obvious problems. However, it must be remembered that in social science research there is always some bias present.

Analysis of the data obtained will allow for assessment of the relative contribution of the different attributes and, crucially, the interactive effects of these specific relationships to produce some *overall* judgement. This will be achieved; first by assessing whether there are relationships between the attributes themselves; and secondly by comparing the perceived performance of the service product on specific attributes with the perceived performance overall. The latter measured in terms of consumer overall perception of quality and willingness to re-purchase.

Figure 2.4 Multi-Staged Process of Surveys Carried Out



Footnotes to Chapter 2

1 The relevant attributes are the evaluating criteria of consumers for the service-product.

2 By atmosphere is meant the general persuavice feeling/mood.

3 Although the ETB define a meeting as 15 or more delegates it was felt that with 10 delegates as a minimum it would enhance the response rate. As it happened, the first postal survey identified 17.6% as having a meeting in a hotel of less than 14 delegates. The maximum was decided upon as the average maximum a hotel could hold since other centres would normally be used if this number was exceeded. (Peat Marwick, 1984).

4 This clause ensured that consumers had actually experienced the conference hotel service product environment.

5 This does not mean that there are no small companies using conference hotels, merely, not the quota to fulfil the sampling requirements set out for this survey.

6 As had been identified with the first stage sample population.

7 Any company who had not utilised hotel conference facilities in any of the three towns during the last 12 months would therefore not be included in the sample.

8 This was the initial exploratory survey.

9 See earlier part of this section.

10 A 45.7% response rate.

11 For the first postal survey the 3000 envelopes, stamps, printed questionnaires and printed covering letters proved to be a high expense.

12 As explained previously, consumers include those delegates and organisers who attended the actual conference.

13 As was purchased for the first postal survey. See earlier part of this section.

14 For example, the Servqual scale collapsed potentially diverse elements into a simple broad generic dimension, see Chapter 3, Section 3.2.1

15 By sensitive information is meant financial disclosure or very personal opinions on certain matters.

16 By atmosphere is meant the general pervasive feeling/mood.

17 Same as footnote 12.

18 Same as unstructured interview.

19 One respondent had not attended the meeting at the hotel, and the other had organised and attended a meeting at a conference centre and not a conference hotel.

20 The name of the hotel was given by the respondent but has been omitted since the information given on all questionnaires was confidential.

CHAPTER 3

Identification of Attributes

3.1 Introduction

The Attribute Theory supposes that attributes can be controlled and monitored by management and thereby allow for a higher degree of quality supervising,

> *"Service quality is primarily a reflection of the attributes of the service delivery system".*
>
> (Chase & Bowen 1988).

The Consumer Satisfaction Theory approaches the issue of service quality as a highly subjective judgement. Consumers use their perception of the service and evaluate these against their expectations. Expectation can be negatively disconfirmed which results in dissatisfaction, confirmed or positively disconfirmed (better than expected) with both resulting in satisfaction which may lead to desirable consequences such as repeat purchase (Churchill and Suprenant, 1982).

Both the attributes and consumers satisfaction theories cover different prediction of how the consumers behaves in evaluating the quality of a product. The evaluation process is multi-dimensional and encompasses some aspects of both theories. Consumers judge the product on a set or sets of attributes, some of whom may be determinants of satisfaction as perceived (subjectively) by the consumer while others are not critical to satisfaction but are related to dissatisfaction when performance on them is unsatisfactory (Swan and Combs, 1976). In short, whether a product is judged as being satisfactory is wholly subjective, and an overall judgement is made on the interactive attributes which make up the product.

It follows then that in order to identify and measure service quality of a product, a comprehensive set of attributes of the particular product need to be generated. Once the attributes are refined, and the relevant evaluative criteria of the hotel conference product identified, the provision of service quality should, theoretically, be more managable.[1]

Two alternative strategies presented themselves for identifying the attributes which combine in the hotel conference service product. This chapter discusses the strategy chosen and the generated dimensions. It concludes by

refining these attributes and identifying the relevant evaluative criteria of the product.

3.2 Strategies Considered and Chosen

Two alternative strategies presented themselves for identifying the attributes which combine in the hotel conference service product. The choice was either utilising existing data from the available literature or gathering primary data for the purpose of this research.

3.2.1 Strategy Considered

One possibility was to utilise attributes which had been identified in other earlier studies of service products. These took two different forms: first, studies focussing on a specific service product and second, studies dealing with general quality dimensions.

First, a specific service product was studied by Cravens, Dielman and Harrington (1985), who evaluated the quality of architectural services. The research site for their study was a large metropolitan area in the United States. They developed 21 factors through personal interviews:

1. Responsiveness
2. Competent staff
3. Experience with project like mine
4. Meets deadlines
5. Working relationship
6. Understands my needs
7. Quality of design documents
8. Stays within budget
9. Design creativity/capabilities
10. On-going participation of principals
11. Economic feasibility know-how
12. Engineering know-how
13. Personal references
14. Construction supervision
15. Used architect before
16. Competitive fees
17. Proximity of architect to the project
18. Presentations by architect
19. Post-construction follow-up
20. National prestige of the firm
21. Full range of services

(Cravens et al., 1985).

Clearly the majority of these factors were specific to architectural services. Attributes such as construction supervision, presentation by architects were not applicable within the context of the hotel conference environment. However, the *'Responsiveness'* and *'Competent staff'* attribute were thought to be of some relevance to this research and could have been used as a prompt to initialise discussion with interviewees in a 'free style' interview.[2] This method was rejected, however, since prompting with such pre-defined terms might bias the responses and thereby bias the data collected. As a result, these attributes were rejected as inadequate for a measuring instrument.

Secondly, generic quality dimensions had been identified by Parasuraman, Berry and Zeithaml (1984). They started to look closely at service quality and their contribution was really the first. They conceptualised service quality in a model and then continued with pilotwork. At present they are in the process of conducting an exhaustive study and it is likely that within the next few years empirical work will be produced by them. Their exploratory study of four specific service industries revealed 10 dimensions used by consumers in assessing service quality of a product:

1. Tangibles
2. Reliability
3. Responsiveness
4. Communication
5. Credibility
6. Security
7. Competence
8. Courtesy
9. Understanding/knowing the customer
10. Access

(Parasuraman, Zeithaml and Berry, 1984).

These dimensions could have been used as a useful indication for identifying the attributes of the hotel conference service product. However, it was felt that the approach collapsed potentially diverse and divergent attributes into 10 single, broad generic dimensions. For example, the *'Tangibles'* dimension encompasses the numerous and varied tangible properties of a service.[3]

The ten dimensions were later used by Parasuraman et al. (1986) to develop a multiple item scale, to be used as an instrument for assessing consumer perceptions on the quality of a service. The resulting Servqual scale contains 5 dimensions, with each dimension containing several attributes. Although the generic dimensions and attributes could have been used within the context of this research, the literature on Servqual was not available at the time.

3.2 Strategy Chosen

The alternative strategy was to proceed ab initio by identifying, from primary sources, the various attributes used by consumers to evaluate the hotel conference environment. This strategy was chosen since there was little confidence that any list of attributes derived from other studies would be either relevant or sufficiently comprehensive. The Servqual scale, despite its limitations,[4] could be used for comparative purposes.[5]

3.3 Initial Identification of 54 Attributes

In order to generate a comprehensive set of attributes, the exploratory study, in the form of 30 in-depth interviews with consumers was undertaken. The informal interviews provided the opportunity to probe and explore, in a flexible manner, consumer expectations and experiences of the service product in question. For a description on background information of survey results see Appendix I.

This stage of the research established that the essence of the hotel conference service product is: *The provision of an environment conducive to communication.* The dimensions, in the form of objects, activities and information, which appeared to be tributary to this provision were identified as follows:[6]

Purpose built conference rooms
Purpose built syndicate rooms
All conference rooms / amenities in the same area
Good acoustics in conference room
Natural daylight in conference room
Selection of conference rooms to chose from
Clear location signs within hotels
Swimming pool / Leisure facilities
Good and free car parking
Telex / Fax facilities / Secretarial facilities
Cleanliness of facilities
Comfortable seating
Comfortable accommodation
Ashtrays, cups etc. cleared away throughout the day
Standard of decor / carpeting / decoration and furniture
Business class standard in bedrooms

Flexible menu
Tea / Coffee on tap all day
Meeting with the chef

Competitive rates
Room hire included in price
Willingness to negotiate tariff / rate

Flexible meal times
Sufficient quantity of food
Reasonable quality of food

Discount for large number of delegates
Audio Visual equipment included in price
Basic equipment included in the price
Refreshments included in the price

Confident staff and management
Experienced management
Staff and management who are adaptable
Staff carrying out arrangements as requested
Flexible staff and management
Conference hotel with character
Hotel which offers value for money
Ambience within the conference hotel
Smiling and friendly staff
Quiet efficiency of staff
Ability to react positively by staff and management
Staff and management who understand your requirements
Personal introduction to manager and conference manager
Management and staff who are professional about their arrangements
Immediate reaction to a request from you, by staff and management
Competent staff
Dependable staff
Unobtrusive staff
Attentive staff
Enthusiastic staff
Polite staff
Speedy service
Pleasant staff
Helpful staff
Well mannered staff

The first stage of the research was, then, essentially descriptive, identifying 54 evaluative attributes. These attributes now needed to be refined by seeking a way of designating the *importance* of the different attributes. It was felt that at this stage it would not be appropriate to reduce or re-group the data because valuable information in it might be lost.[7]

3.4 Establishing the Importance of Each Identified Attribute

The method chosen to designate levels of importance, was to request consumers to rate each attribute on a scale of importance.[8] This is a form of discrete measurement and obtains ordinal data representing subjective judgements. Thus, decisions had to be made as to the naming and number of labels to be used on the scale. The main point to be considered was that the response categories should be easy for the respondent to answer, and should provide sufficient but not excessive detail (Bailey, 1987). The resulting scale used was:

1 = unimportant
2 = of some importance
3 = important
4 = very important

Powers et al. (1977) had established that the ordering of responses on a questionnaire does not affect results.

Each attribute had been designated a rating ranging from 1 - 4. A total score (that is a summation of all responses) for each attribute could not be obtained, since some respondents did not fully complete the questionnaire, either through non-responses or indicating don't know. A mean score needed to be calculated since this would allow for the missing values to be excluded. The statistical method used was condescriptive in SPSSX. The following list contains the mean score of attributes, given in ranked order of importance.

Table 3.1 Mean Score of Importance of Attributes In Ranked Order

Attributes	*Mean Score*	*Standard Deviation*
Staff carrying out arrangements as requested	3.890	.332
Dependable staff	3.758	.462
Competent staff	3.750	.453
Cleanliness of facilities	3.746	.515
Comfortable seating	3.731	.488
Staff & mgt who understand your requirements	3.718	.488
Immediate reaction to a request from you	3.710	.504
Ability to react positively by staff and mgt	3.695	.504
Speedy service	3.687	.535
Reasonable quality of food	3.680	.542
Mgt and staff who are professional	3.666	.531
Helpful staff	3.597	.568
Comfortable accommodation	3.572	.566
Quiet efficiency of staff	3.549	.604
Polite staff	3.513	.616
Well mannered staff	3.510	.616
Flexible staff and management	3.497	.622
Ashtrays, cups etc. cleared away throughout the day	3.488	.656
Adaptable staff and management	3.472	.648

Attributes	*Mean Score*	*Standard Deviation*
Experienced management	3.464	.673
Confident staff and management	3.443	.642
Good accoustics in conference room	3.441	.701
Pleasant staff	3.436	.627
Competitive rates	3.404	.718
Attentive staff	3.339	.699
Good and free car parking	3.316	.748
Smiling and friendly staff	3.272	.720
Hotel which offers value for money	3.267	.746
Enthusiastic staff	3.263	.739
Standard of decor/carpeting/furniture	3.252	.679
Sufficient quantity of food	3.216	.735
Unobtrusive staff	3.198	.785
Business class standard in bedrooms	3.186	.771
Flexible menu	3.166	.756
Purpose built conference rooms	3.038	.874
Ambience within conference hotel	2.988	.759
All conference rooms / amenities in same area	2.974	.856
Willingness to negotiate rates / tariff	2.924	.916
Discount for large number of delegates	2.924	.936
Personal introduction to manager and conf. mgr	2.897	.968
Basic equipment included in the price	2.873	.969
Flexible mealtimes	2.789	.936
Conference room hire included in price	2.730	.975
Natural daylight in the conference room	2.728	1.009
Refreshments included in the price	2.698	.988
Tea / coffee on tap all day	2.662	.977
Selection of conference rooms to chose from	2.531	.901
Clear location signs within hotel	2.531	.874
Purpose built syndicate rooms	2.500	.874
Audio Visual equipment included in price	2.497	1.009
Conference hotel with character	2.483	.819
Telex/Fax/Secretarial facilities	2.322	.996
Swimming pool/Leisure facilities	1.965	.910
Meeting with the chef	1.630	.836

The standard deviation shows that for those attributes which ranked the highest average, namely those which ranked 3.500 or more[9], there was a fair amount of agreement in the data. Hence, a high proportion of the respondents concurred that those specific attributes were the most important.[10]

As the score for the mean decreases the standard deviation increases, thus there is higher disagreement in the data. It is observed that the majority of attributes obtained a mean score of 3+, i.e. they were important or very important. However, there is quite a large amount of disagreement in the responses to bring in the mean score either below 3 or above 4. It must be pointed out , however, that a large proportion of responses were equal to 3, i.e. as expected. This needs to be borne in mind in the analysis stage since such a distribution of data may influence further statistical data analysis.

Although a new sample of respondents would be chosen in the next stage to obtain data on the perceived performance of the most relevant attributes, data was also collected at this stage on ratings of performance. Respondents gave scores on their perception of producer performance on 17 attributes. This exercise allowed for an indepth look at an early stage of the research, on any possible discrepancies between consumer expectations and perceived performance.

L1 Conference room included in price
L2 Standard of decor was pleasant
L3 Comfortable seating
L4 Dirty ashtrays etc., were cleared away
L5 Basic equiment was included in price
L6 Good food and enough quantity
L7 Refreshments included in price
L8 Bath, TV., telephone in bedrooms
L9 Management experienced in dealing with conferences
L10 Management professional about their arrangements
L11 Hotel was value for money
L12 Hotel staff provided everything which was required
L13 Staff was pleasant and helpful
L14 Staff was competent in dealing with conference
L15 One could depend on staff to get things done
L16 Staff reacted immediately to requests
L17 Staff was polite and friendly in dealing with our conference

Clearly, a direct comparison could be made between scores given by respondents on expectations, and scores given by the same group of respondents on their perception of producer performance.

For comparative purposes, each attribute to be rated on perceived performance had been designated a rating ranging from 1 to 4. Again a mean score was calculated and the following list contains the mean scores of attributes given in rank order of perceived performance.

Table 3.2 Mean Score of Perceived Performance

Attribute	*Mean Score*	*Std Dev*
L8	3.712	.607
L9	3.458	.794
L6	3.432	.757
L17	3.432	.694
L13	3.428	.732
L10	3.351	.879
L4	3.347	.785
L14	3.329	.776
L1	3.270	.993
L12	3.216	.926
L15	3.212	.875
L2	3.207	.847
L3	3.185	.716
L11	3.185	.865
L7	3.131	1.027
L16	3.090	.903
L5	2.959	1.078

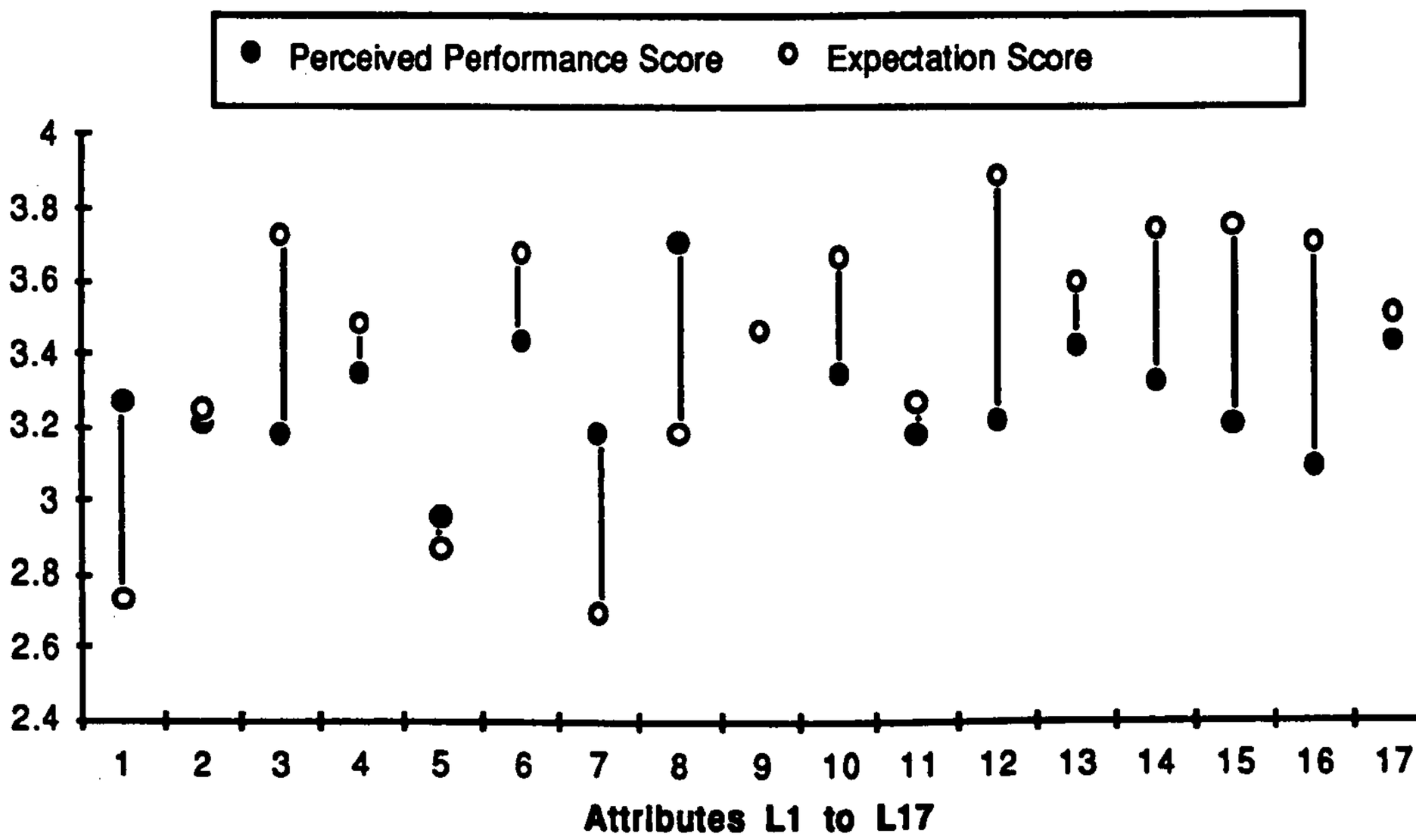
For each of these attributes the mean score of expectations taken from Table 3.1 and was superimposed to see if indeed a discrepancy existed. It must be noted that the 17 attributes chosen to represent perceived performance at this stage were not derived through any rigourous method. Merely those which were thought to be of relevance as indicated from the qualitative data analysis. A more rigourous method would have to be used to derive a list of attributes to be used in the next postal survey.

A comparison of scores for expectations with scores of perceived performance for the seventeen attributes will indicate any discrepancies.

Figure 3.1 shows the results of this exercise. The length of vertical linces indicate the strength of the discrepancy between what the consumer expected and what the same consumer perceived the performance to be. The largest discrepancies are shown to be for attributes L3, L12, L14, L15 and L16 with a less noticeable discrepancy for attributes L6, L10 and L13. Out of 17 attributes

at least 8 were deemed by consumers, as not meeting expectations. L12 *(Hotel staff provided everything which was required)* was shown to have the largest discrepancy. This means that consumers felt that their expectations were not met. L16 *(Staff reacted immediately to requests)* and L15 *(One could depend on staff to get things done)* closely followed in second and third place. The results from this exercise give some insight into which attributes such as L12, L16 and L15 may possibly be influencial in reducing the positive perception of net service quality.

Figure 3.1 Comparative Scores from Table 3.1 (Expectations score) and Table 3.2 (Perceived Performance score)



3.5 Relationship between Consumers and Attributes

Although 54 attributes had been identified, the limitations of these attributes needed to be considered. The sample of respondents is an approximation of all consumers of the hotel conference product, and is *not* a whole population in itself. Thus while interpreting the data, by means of description, explanation and prediction, a check needs to be made to see whether those who responded to the questionnaire differed from the original sample. In other words, do different types of consumers or different types of hotels effect the responses given.[11]

The possible types of conference/meeting were initially identified in the exploratory study and further verified in the first postal survey.[12] The final list comprised seven groups:

Group	
1	management training
2	staff training
3	external training courses and consultancy
4	sales meeting
5	sales launch
6	exchange of business
7	other: incentive travel, press conference and entertainment

It is assumed that these seven groups describing type of meeting reflect and, therefore, stand as an index of the type of consumer attending.[13]

The null hypothesis to be tested was that there is no difference between the types of conference meeting and levels of importance on attributes. The use of a non-parametric test seemed appropriate for this ordinal data. However, it was felt that the Friedman or Kendall coefficient concordance tests were inappropriate. Although the Friedman test assesses whether the behaviour between groups is significantly different, and the Kendall test compares judgements by looking at the degree of similarity between judgements, the chi-square statistic would not indicate which independent variables were significantly related.

For each of the seven groups the pattern of response needed to be investigated. This posed a three-dimensional problem since there were the seven types of conference/meetings, the 54 attributes and the responses to the attributes varying from 1 = unimportant to 4 = very important to be considered. Instead of looking at an arithmetic mean calculation, it was decided to look at the pattern of responses. This would mean that no assumptions about the distribution of the data had to be made. Hence, for each group the set of variables were examined for the pattern of response for each variable. The chi-square test was then applied to calculate if a relationship existed between the groups and the response given to the attributes.

An examination of the pattern of responses for each variable (attribute) for each group (type of meeting) was achieved by counting the number of response types on each variable in each group that is: how many responses were equal

to 1, how many were equal to 2, etc.. This is shown in Appendix IV. A summation of counted number of responses for each variable, for group 1 is shown below. The variables are numbered 1 to 54 and are identified in Appendix IV.

Table 3.3 Valid Percentage of Counted Number of Responses for Group 1

Attribute	Value 1	Value 2	Value 3	Value 4
1	.9	17.8	43.0	38.3
2	11.2	31.8	31.8	25.2
3	4.7	19.6	42.1	33.6
4	--	7.5	31.8	60.7
5	12.1	16.8	36.4	34.6
6	12.1	34.6	34.6	16.8
7	13.1	42.1	31.8	13.1
8	29.9	41.1	19.6	8.4
9	.9	11.2	39.3	48.6
10	30.8	41.1	16.8	11.2
11	--	3.7	16.8	79.4
12	--	1.9	18.7	79.4
13	--	1.9	31.8	66.4
14	1.9	3.7	40.2	54.2
15	--	12.1	57.0	30.8
16	1.9	16.8	45.8	35.5
17	--	6.5	29.9	62.6
18	11.2	15.9	40.2	31.8
19	7.5	16.8	38.3	36.4
20	6.5	17.8	41.1	32.7
21	8.4	16.8	42.1	30.8
22	12.1	34.6	26.2	26.2
23	3.7	21.5	32.7	40.2
24	1.9	17.8	45.8	33.6
25	14.0	21.5	44.9	18.7
26	65.4	25.2	5.6	2.8
27	8.4	26.2	37.4	27.1
28	.9	15.0	48.6	34.6
29	.9	1.9	23.4	72.9
30	--	7.5	40.2	49.5
31	--	12.1	35.5	51.4
32	.9	4.7	36.4	56.1
33	--	--	10.3	88.8
34	--	4.7	36.4	56.1
35	15.9	41.1	32.7	9.3
36	1.9	12.1	29.0	56.1
37	1.9	22.4	46.7	25.2
38	--	11.2	46.7	42.1
39	--	3.7	41.1	54.2
40	--	.9	23.4	73.8
41	--	.9	19.6	78.5
42	3.7	17.8	44.9	31.8

Attribute	Value 1	Value 2	Value 3	Value 4
43	.9	14.0	43.0	40.2
44	.9	9.3	52.3	35.5
45	--	5.6	39.3	53.3
46	--	2.8	21.5	72.9
47	.9	3.7	42.1	51.4
48	.9	--	32.7	66.4
49	.9	4.7	37.4	56.1
50	--	1.9	24.3	70.1
51	--	--	21.5	74.8
52	11.2	27.1	31.8	25.2
53	--	2.8	26.2	67.3
54	--	3.7	22.4	70.1

* the non-response % category is not shown

Cross-tabulations with the chi-square statistic was used for *each* individual variable to evaluate which variables, if any, were correlated (shown to have a relationship) with type of meeting.[14] This produced tables which are the joint distribution of two or more variables. In this case, that would be number of responses of each type by type of meeting by each of the identified attributes. The frequency distribution of one variable is subdivided according to the values of one or more variables (Norusis, 1986). The most commonly used test of significance for independence for tables containing ordinal values is chi-square (Bailey, 1987).

In short, if there was a significant association between the responses and group, the null hypothesis would be rejected. On the other hand, if there was shown to be no significant association, the null hypothesis that there existed no relationship between the type of consumer and the responses given to ranking the importance of attributes would be accepted.

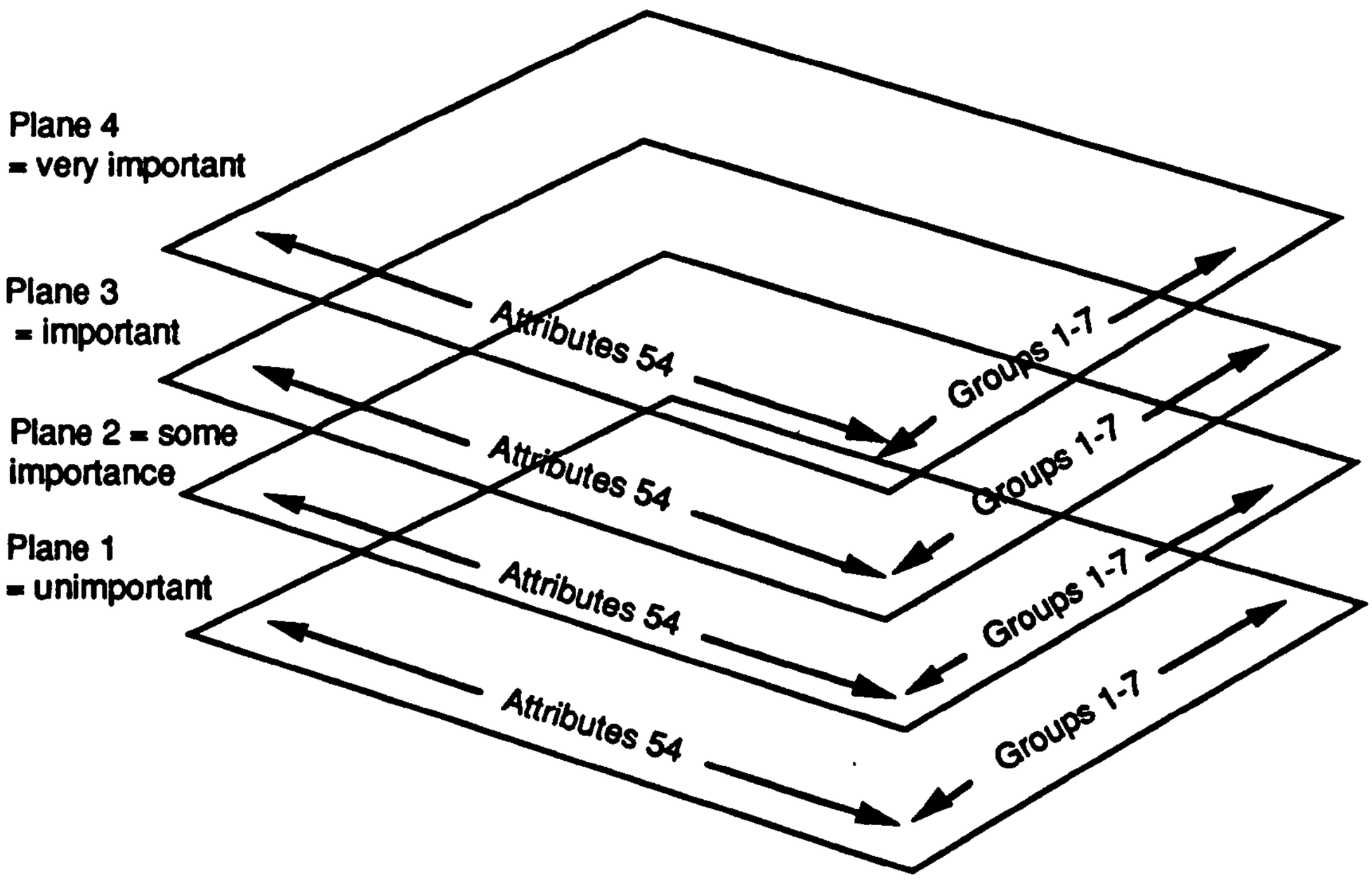
In fact, the results were as follows:

Value category	Significance	
1 = unimportant	.0305	null hypothesis rejected > 0.05 level of confidence
2 = of some importance	.4442	null hypothesis accepted
3 = important	.9956	null hypothesis accepted
4 = very important	.8604	null hypothesis accepted

This shows that only the responses of unimportant have a relationship with the type of consumer. Namely, those consumers in group 1, management training are shown to be the largest group who found a meeting with the chef unimportant together with telex/fax/secretarial facilities closely followed by leisure facilities. The other groups responded in a similar pattern but with fewer number of responses and, there was a large difference in responses to the other attributes.

Figure 3.2, conceptualises the three-dimensional perspective of the analysis. Each plane consists of a category of responses (1-4). Within each plane there exists the seven groups of consumers and the 54 attributes.

Figure 3.2 Three Dimensional Model of Groups by Attributes by Importance Responses



For planes 2, 3 and 4, the null hypothesis is accepted: there is no relationship between type of consumer and type of response. That is, a consumer on a management training meeting is as likely as a consultant to find courteousness in staff important. In fact, the qualitative data confirms that respondents opinions and stated preferences were similar regardless of position or type of hotel used. For example, a consumer of a 3 star hotel expected staff to be courteous and cleanliness of facilities just the same as if he/she had experienced the conference hotel environment in a 5 star hotel.

The implications of these results are that the data is not homogeneous by conference type. That is, the type of response given is not a reflection on the type of consumers. Thus, consumers on a management training meeting differ in responses from other consumers, but there is not a pattern which classified the difference in response to conference type. The conclusion, therefore, must be that there is something else which causes the difference in responses.

3.6 Refinement of Attributes

The *important* attributes needed to be factored out of the initial identified group of 54. These previously inter-related attributes were collapsed into new attributes which represented those most important as identified by the respondents. In fact, there were two distinct processes of contraction here: (i) by expressed degree of importance, (ii) by judgement. This process refined the evaluative attributes to 23. As Table 3.4 shows, these represent all the original attributes except those which had been identified as unimportant or which were deemed inappropriate for inclusion upon review of the qualitative data. For example; telex, fax and secretarial facilities had a very low mean score of 2.322, and the qualitative data emphasised that a minority of respondents had identified this as a dimension of the product.

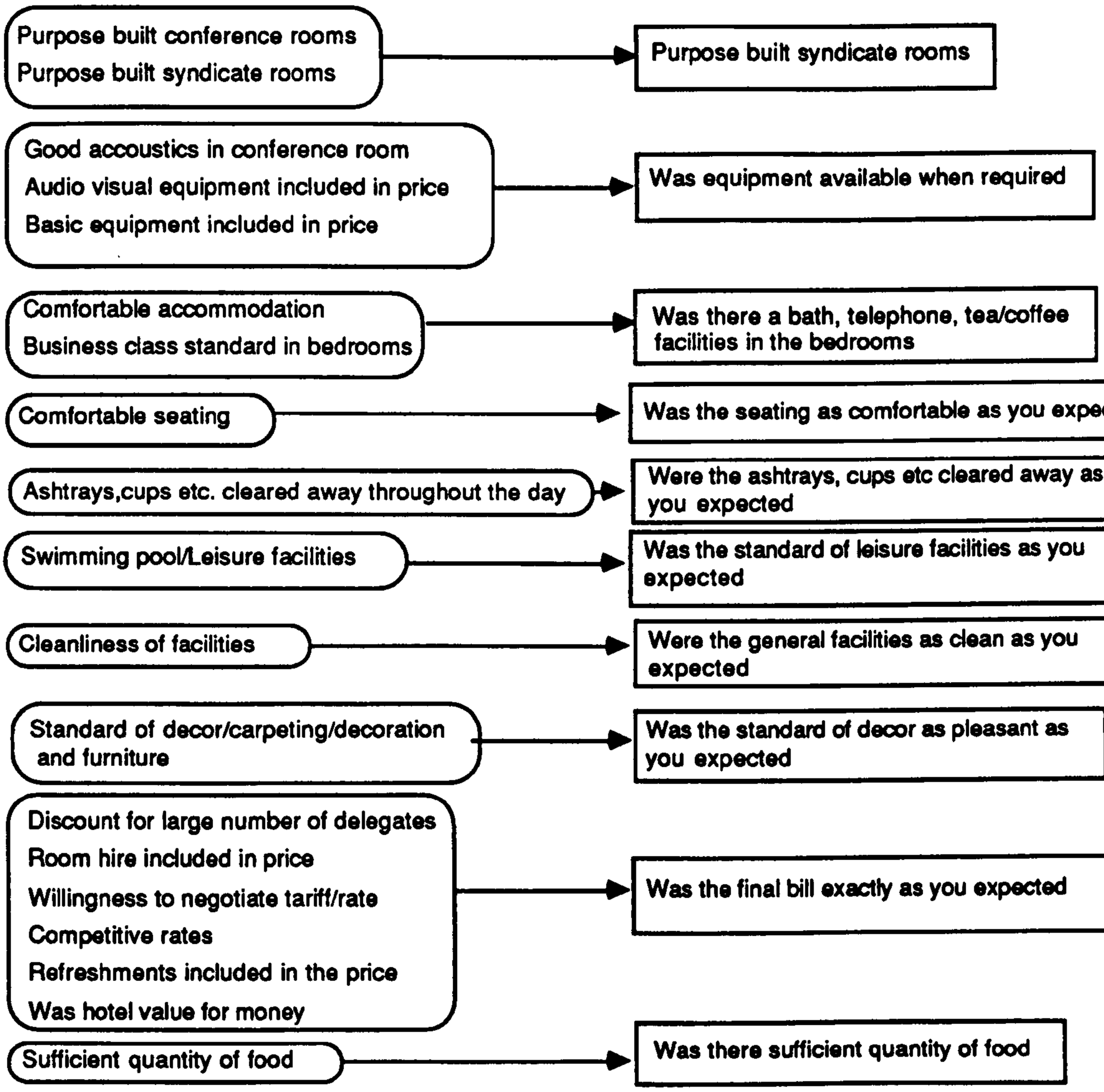
Although leisure facilities received a low mean score of 1.965, review of the qualitative data identified this as a frequently stated dimension The attribute appeared to be closely related to type of conference. For entertainment meetings, leisure facilities were the prime factor as were meeting where delegates were not allowed to leave the hotel. Some felt that such facilities were not a necessity since *"Delegates are not there for entertainment".*

In general, comments such as, "*Television and swimming pool are expected*" and *"They are useful to those delegates who want them"* contributed to the decision to include the attribute in the refined selection of 23.

Table 3.4 Collapsing of Attributes

Confident staff and management	Confident staff and management
Experienced management	Experienced management
Staff carrying out arrangements as requested	Staff carrying out arrangements as requested
Smiling and friendly staff Polite staff Pleasant staff Well mannered staff	Polite and friendly staff
Mgt/staff who understand your requirements	Management provide attention to details
Competent staff Mgt/staff who are professional about their arrangements	Management act professionally
Flexible staff and management Staff and management who are adaptable Helpful staff	Staff do their utmost to assist you and your delegates
Speedy service Immediate reaction to a request from you, by staff/mgt Enthusiastic staff	Staff react immediately to requests you made
Dependable staff	Dependable staff and management
Attentive staff	Did you and your delegates get the attention you expected
Conference hotel with character Ambiance within the conference hotel	Ambience/atmosphere
Ability to react positively by staff and management	Sympathetic management
Quiet efficiency of staff Unobtrusive staff Personal introduction to mgr and conference mgr	These attributes either had a very low mean score for importance or they were deemed inappropriate for factoring upon review of the qualitative data.

Table 3.4 Collapsing of Attributes (cont)



3.7 Conclusions

Consistent with the Attribute Theory approach to service quality, the 23 evaluative attributes have been identified. These were derived from an initial set of 54 attributes elicited from the exploratory study, which were refined by means of a postal survey.

Analysis has shown that there is no significant difference in types of respondent. Consumers are homogeneous in their response to designating importance to attributes irrespective of the type of meeting they attended or type of hotel used.

The identified attributes could now be used in investigating perceived performance. This will follow the Consumer Satisfaction Theory approach, which treats service quality as a subjective judgement made by the consumer.

Footnotes to Chapter 3

1 According to the Attribute theory.

2 See Chapter 2, Section 2.5.4 for a full discussion.

3 Durables and consumables.

4 Such as the tangible properties of a service.

5 See Chapter 7, Section 7.2.3 which compares 23 attributes with Servqual.

6 These are listed in no specific order.

7 Factor analysis was used at a later stage, see Chapter 4,Section 4.3.

8 See Chapter 2, Section 2.6 for detailed methodology.

9 That is nearer to very important than important.

10 By virtue of the data (which is subjective) for very important score maximum is 3.890 with the unimportant score minimum of 1.630.

11 Type of consumer is reflected in the type of meeting attended, e.g. managers attend management training meetings and staff attend staff training meetings.

12 See questionnaire in Appendix III.

13 See footnote 10.

14 The term variable is an expression that is assigned to a set of values. For example, type of meeting is a variable with values such as; management training, product launch and press conference.

CHAPTER 4

Perceived Performance on Attributes

4.1 Introduction

Once the nature and importance of attributes of the hotel conference product had been identified these needed to be applied in ratings of performance. The Consumer Satisfaction Theory shifts the focus from actual production and output of attributes as advocated by the Attribute Theory to an evaluation of performance (see Chapter 3, Section 3.1).

This evaluation or judgement is the outcome of the relationship between perceived performance and consumer expectations (Swan and Comb 1976; Churchill and Suprenant 1977; Gronroos 1983). The consumer satisfaction literature views expectations as predictors as to what is likely to occur while purchasing/consuming the product. In the context of this research, expectations are considered to be synonymous with the consumers desires or wants (Parasuraman et al 1986).

This chapter discusses the strategies considered and chosen to investigate the judgement made by consumers, and the possible relationships between the attributes themselves. In addition to the ratings of performance for each attribute, an overall judgement of the product needed to be made by the consumers in terms of overall performance and willingness to re-purchase. Analysis of the relationship between re-purchase and the overall performance concludes this chapter. Such a measure can subsequently be used in the analysis as the principal index of the product performance as judged by consumers

4.2 Strategies Considered and Chosen

Two alternative methods were considered for obtaining ratings of performance of attributes as perceived by consumers.

One strategy could have been to obtain, first, ratings of the *expected* performance on each attribute at the pre-purchase stage and secondly, to obtain ratings of the *perceived performance* on each attribute at the post-purchase stage. The Servqual scale was developed by such a strategy, namely using a pair of statements, one assessing expectations and the other assessing perceptions, (Parasuraman, Zeithaml and Berry, 1986) but carried out at one point in time. Such a measure allows for a direct comparison of the

expected performance data with the perceived performance data. Whilst use of this method would have adhered most closely to standard experimental design, it posed insuperable problems of access to consumers at both stages. The literature points out that, if such a measure is taken it needs to be at the pre- and post-purchase stages of consumption (Day, 1976).

The alternative strategy was to take a measurement at one point in time with a single statement directly assessing the congruence between consumer expectations and perceived performance. This requires consumers themselves to link their experience of the service product with their expectations, indicating, on that basis, their levels of satisfaction /dissatisfaction with the different attributes. Despite the problem of consumers adjusting their expectations in the light of their experience, this method was chosen as the more practicable.[1] It would have been beyond the scope of this research to gain access to consumers at the pre- and post-purchase stages of consumption.[2]

4.3 Perceived Performance Ratings on Attributes

The method chosen to designate the performance of each of the 23 attributes, was to request consumers to rate each attribute on a scale of performance (see Appendix V). Each attribute was given a rating ranging from 1 - 5 with:

1 = much worse than expected
2 = worse than expected
3 = as expected
4 = better than expected
5 = much better than expected

This is a form of discrete measurement and obtains ordinal data based on subjective judgements. A mean score was calculated in the same fashion as those scores computed in Chapter 3, Section 3.4. Again, a mean score was calculated using the condescriptive analysis statistical method.

The resulting arithmetic average scores are shown in Table 4.1. These are listed in rank order with 3.458 as the high average score of performance. The scores indicate the extent to which consumers expectations are met or not met by the service provided: The higher the mean score, the more the attribute was evaluated by the consumers as meeting or exceeding expectations.

Table 4.1 Average Perceived Performance Ratings of Attributes, in Ranked Order

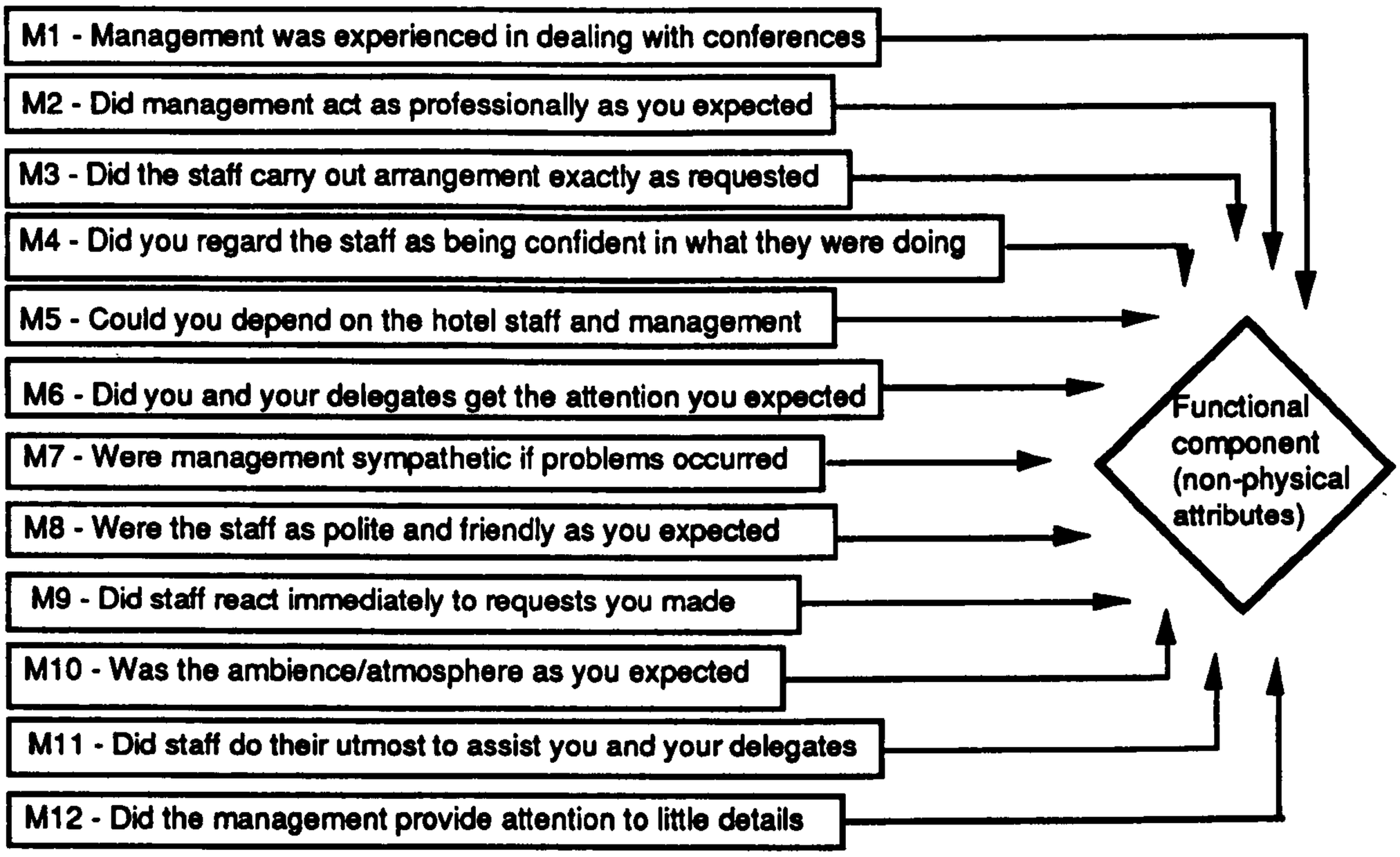
Attributes	*Mean Rating*	*Standard Deviation*
Was there a reasonable quality of food	3.458	.864
Was there sufficient quantity of food	3.419	.779
Were staff as polite and friendly as you expected	3.395	.739
Were mgt and staff sympathetic if problems occurred	3.322	.836
Was the ambience / atmosphere as you expected	3.275	.733
Business class standard in bedrooms	3.236	.557
Was mgt experienced in dealing with conferences	3.185	.713
Did you and your delegates get the attention you expected	3.167	.843
Did staff do their utmost to assist you and your delegates	3.165	.820
Could you depend on hotel staff and management	3.150	.857
Were the general facilities as clean as you expected	3.125	.616
Did you regard staff as being confident in what they did	3.117	.857
Were the ashtrays, cups etc. cleared away throughout the day	3.102	.619
Were there enough syndicate rooms	3.101	.576
Was equipment available when required	3.086	.705
Did management act as professionally as you expected	3.083	.681
Did staff react immediately to requests you made	3.075	.900
Was the standard of decor as pleasant as you expected	3.068	.650
Did staff carry out arrangement as requested	3.033	.755
Was the final bill as expected	3.017	.592
Was the standard of leisure facilities as expected	3.000	.644
Did management provide attention to details	2.992	.861
Was the seating as comfortable as you expected	2.967	.564

Having obtained ratings on perceived performance of the individual attributes, it was now felt that the possibility of data refinement needed to be explored. This would mean that the suitability of each attribute were established, or if some attributes were similar they could, possibly, be collapsed into one attribute. The method chosen to see whether the 23 attributes could be re-grouped or if the data could be reduced was factor analysis.

Factor analysis is a statistical technique which can be used for the identification of a relatively small number of constructs or factors which represent relationships among sets of many interrelated variables (Norusis, 1985).

Factor analysis aids in identifying the underlying, not directly observable, constructs. All the 23 attributes were entered for analysis. The result showed that there was one main factor which contained only non-physical attributes (variables). The analysis further identified several additional groups into which the physical attributes (variables) were segregated. Although factor analysis did not reduce the data, the data could be split into 2 main areas with the physical attributes further subdivided. Table 4.2 conceptualises how the attributes were re-grouped into, what the literature refers to, the Functional and Technical components.[3]

Table 4.2 Factoring of Attributes into 2 Major Components



Although the attributes can be re-grouped into two components, the components are not independent of one another. Instead, the product should be conceived as a *mixture* of both the functional and technical components. The technical component is often taken as an indication of the hotels ability to provide a certain service. The technical component consists of visible consumables and durables which are not purchased but are an integral part of the provision. They are not end products in themselves. The qualitative data confirms this, in that respondents viewed durables and consumables as part of the service in that they *facilitate* the provision of the product. Initially the technical attributes had been verbalised as the prime concern, and the functional attributes were thought to be secondary to the product. This was observed to be due to the problems encountered on behalf of respondents in articulating their expectations and requirements of the functional attributes since they were intangible. This may have been the reason why the technical (visible durables and consumables) attributes were thought to be more dominant. However, upon discussion of the post-purchase stage, the respondents became very eloquent in voicing the functional attributes of the product, and in fact these appeared to be the determining component in achieving perceptions of overall performance of the product they had purchased/consumed.

4.4 Attribute versus Attribute

The statistical relationships between the attributes were investigated through correlation. Correlation analysis measures the *closeness* of the relationship between two or more variable (Churchill, 1987). This method produces a matrix which presents correlations amongst sets of variables (attributes) in a compact and understandable form. A symmetrical rectangular matrix is calculated as an array of all possible correlation coefficients between variables (Norusis, 1986).

Table 4.3 Correlation Matrix

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10
M1																						
M2	.606~																					
M3	.509~	.521~																				
M4	.407~	.412~	.635~																			
M5	.504~	.591~	.739~	.743~																		
M6	.444~	.483~	.482~	.506~	.668~																	
M7	.522~	.513~	.455~	.418~	.567~	.581~																
M8	.362~	.387~	.392~	.464~	.518~	.595~	.566~															
M9	.392~	.473~	.465~	.446~	.606~	.624~	.483~	.532~														
M10	.243*	.295~	.301~	.404~	.363~	.449~	.334~	.470~	.300~													
M11	.408~	.521~	.518~	.382~	.657~	.722~	.625~	.561~	.581~	.403~												
M12	.542~	.540~	.547~	.416~	.613~	.657~	.608~	.542~	.512~	.361~	.641~											
P1	.174	.264*	.232*	.200	.265*	.240*	.271*	.226*	.311~	.232*	.300~	.242*										
P2	.194	.326~	.302~	.183	.337~	.251*	.259*	.334~	.278*	.266*	.334~	.326~	.377~									
P3	.283~	.197	.232*	.306~	.285~	.326~	.282~	.339~	.291~	.449~	.348~	.357~	.391~	.287~								
P4	.115	.110	.272	.128	.131	.168	.236*	.093	.197	.200	.208	.265*	.384~	.206	.350~							
P5	-.057	.071	.173	.240*	.205	.362~	.164	.178	.064	.215	.279*	.169	.343~	.217	.279*	.431~						
P6	.223*	.155	.305~	.462~	.265*	.344~	.285~	.303~	.161	.362~	.237*	.248*	.147	.160	.356~	.186	.538~					
P7	.276*	.270	.290~	.301~	.330~	.239*	.284~	.283~	.312~	.205	.263*	.294~	.258*	.357~	.301~	.293~	.182	.249*				
P8	.444~	.295~	.280~	.286~	.322~	.420~	.411~	.377~	.309~	.290~	.318~	.426~	.023	.025	.238*	.196	.049	.169	.133			
P9	.476~	.317~	.328~	.276*	.339~	.410~	.537~	.410~	.299~	.227*	.361~	.422~	.063	-.122	.186	.205	-.022	.178	.074	.792~		
P10	.262	.167	.325~	.170	.237*	.409~	.371~	.322~	.329~	.148	.329~	.435~	.168	.036	.212	.310~	.278*	.273*	.105	.347~	.438~	
P11	.117	.125	.092	.093	.102	.221*	.171	.037	.177	.034	.148	.167	.078	.009	.084	.233*	.214	.075	-.080	.292~	.262*	.176

* significance ≤ .01
~ significance ≤ .001

Table 4.3 depicts the lower triangle of the produced matrix. The main diagonal gives correlations with the attributes themselves, such as M1 correlated with M1 and is a coefficient of 1.0. Correlation coefficients range from +1 to -1. The closest the coefficient is to +1 the stronger the relationship with a zero coefficient constituting a no relationship and -1 an inverse relationship. In Table 4.3, the statistically significant relationships between two attributes are given after the respective correlation coefficients in the matrix (* significance ≤ 0.01, ~ significance ≤ 0.001).

The matrix indicated that a strong positive relationship existed between the following attributes:

M1	Management was experienced in dealing with conferences	↔	M2	Did management act as professionally as you expected
M3	Did the staff carry out arrangement exactly as requested	↔	M4	Did you regard the staff as being confident in what they were doing
M3	Did the staff carry out arrangement exactly as requested	↔	M5	Could you depend on the hotel staff and management
M4	Did you regard the staff as being confident in what they were doing	↔	M5	Could you depend on the hotel staff and management
M5	Could you depend on the hotel staff and management	↔	M6	Did you and your delegates get the attention you expected
M5	Could you depend on the hotel staff and management	↔	M9	Did staff react immediately to requests you made
M5	Could you depend on the hotel staff and management	↔	M11	Did staff do their utmost to assist you and your delegates

M5	Could you depend on the hotel staff and management	↔	M12	Did the management provide attention to little details
M6	Did you and your delegates get the attention you expected	↔	M9	Did staff react immediately to requests you made
M6	Did you and your delegates get the attention you expected	↔	M11	Did staff do their utmost to assist you and your delegates
M6	Did you and your delegates get the attention you expected	↔	M12	Did the management provide attention to little details
M7	Were management sympathetic if problems occurred	↔	M11	Did staff do their utmost to assist you and your delegates
M7	Were management sympathetic if problems occurred	↔	M12	Did the management provide attention to little details
P8	Was there a reasonable quality of food	↔	P9	Was there sufficient quantity of food

The positive relationship of 0.606 with a 0.001 level of significance between M1 *(Management was experienced in dealing with conferences)* and M2 *(Did management act as professionally as you expected)* can possibly be attributed to the wording of the attributes in the questionnaire (see Appendix VI).

M1 is a probable subset of M2. If consumers perceive management to be experienced it may be a direct result of how professional management acted. M1 is a member of/and dependent on M2. Therefore, type of response to M1 directly reflect responses to M2. A cross tabulation between these two attributes shows that 66.7% of consumers who perceived 'Management's experience to be worse than they expected also perceived management's proffesionalism as worse than expected.

Table 4.4 Cross Tabulation of M2 ***(Did management act as professionally as you expected)*** **by M1** ***(Managment was experienced in dealing with conferences)***

		M2		
		Worse	As	Better
M1	Worse	66.7%	33.3%	0%
	As	12.5%	76.1%	11.4%
	Better	0%	34.6%	65.4%

Similarly, 76.1% of consumers perceived management's experience and professionalism as they expected and 65.4% of consumers who perceived management's experience to be better than expected also perceived management's professionalism as better than expected. The chi-square significance of 0.000 indicates that the observed pattern of frequencies corresponds to an expected pattern.

The correlation matrix further indicates that there is a positive relationship of 0.635 with a 0.001 significance between M3 *(Did the staff carry out arrangements exactly as requested)* and M4 *(Did you regard the staff as being confident in what they were doing).* However, there appears to be no logical or causal explanation to the link between them. There is no trueism between them as opposed to the relationship indicated between M1 and M2, they *have* to coincide because one attribute is true of the other.

The relationship between attributes M3 *(Did the staff carry out arrangements as requested)* and M5 *(Could you depend on hotel staff and management)* is understandable. M5 could not exist if M3 was not true, they are synonymous. Clearly if staff did not carry out arrangements as requested then staff would not be dependable.

M4 *(Did you regard staff as being confident in what they were doing)* is highly correlated with M5 *(Could you depend on the hotel staff and management)* at 0.743 with a 0.001 level of significance. However, the wording of the question M5 the key word 'depend', makes the question a condition. Hence all the other M attributes could be related. This correlation may therefore, be biased due to the wording of the question. The only two attributes which M5 does not

influence are M10 *(Was the ambiance/atmosphere as you expected)* and M7 *(Are management sympathetic if problems occurred)* because these two attributes are not related to an action which is undertaken by members of staff. In addition, M5 may be a probable subset of M2.

M5 *(Could you depend on the hotel staff and management)* is shown to be correlated with M6 (*Did you and your delegates get the attention you expected).* These attributes are related in that staff could not be dependable without being attentive, i.e. they would not be aware or sensitive to the consumers expectations and requirements. M5 is also shown to be correlated with M9 *(Did staff react immediately to requests you made).* This is a clear and obvious relationship in that staff cannot be thought dependable if they did not react immediately to consumer requests, this is of particular importance with dependable attributes. A clear example are the technical attributes such as P4 *(Were there enough syndicate rooms)* and P7 *(Was equipment available when required)* consumers depend on these arrangements to allow for a high performance from the service product they purchase, namely an environment condusive to communication. Similarly M5 is shown to be positively correlated with M11 *(Did staff do their utmost to assist you and your delegates)* and M12 *(Did the management provide attention to little details).* Again, dependability is the key word, with M9, M11 and M12 all being functions or determinants of M5. M12 may be a slight anomaly in that this attribute is not a strong influence on dependability since *'little details'* are not critical factors which necessarily influence dependability.

The relationship between M6 *(Did you and your delegates get the attention you expected)* and M9 *(Did staff react immediately to requests you made)* must be true. Consumers could not consider that they were receiving the attention they expected without staff reacting immediately to requests which the consumers made.

M7 *(Were management sympathetic if problems occurred)* appears to be a subordinate of M*11 (Did staff do their utmost to assist you and your delegates).* This would seem a logical link. If management were doing their utmost to assist, then management would have to be sympathetic to any problems which may arise. In this sense the term sympathetic refers to 'dealing with' rather than emotional sympathy. M7 is also correlated with M12 *(Did the management provide attention to little details).* This appears to be a contradiction since *'sympathy to problems'* is not a similar condition as *'little details'.* Therefore, attention to little details has no obvious link to sympathy to

problems, they are different attributes.
The only correlation higher than 0.6 with the P variables *(The technical attributes)* are shown to be P8 *(Was there a reasonable quality of food)* with P9 *(Was there sufficient quantity of food).* This may pose the question 'Do consumers judge quality by quantity?' If quantity is judged as low then it may be possible that consumers consider the quality of the meal as an experience to be low. This can be looked at more closely through a cross tabulation between the 2 variables as shown below.

Table 4.5 Cross Tabulation of P9 *(Quantity of food)* by P8 *(Quality of food)*

		P9		
		Worse	As	Better
P8	Worse	71.4%	7.4%	0%
	As	14.3%	82.4%	6.5%
	Better	14.3%	10.3%	93.5%

The *'as expected'* and *'better than expected'* consumer groups gave similar responses to quantity and quality of consumables, 93.5% and 82.4% respectively. These high percentages indicate that a strong relationship exists between quantity and quality of food. This is confirmed by the chi-square significance value of 0.000 which indicates that the observed pattern of frequencies corresponds to the expected pattern. The question *'Do consumers judge quality by quantity'* can be addressed by looking at those consumers who thought quantity was better than expected since no one responded in that group, 0%, perceived quality to be worse than expected and only a small 6.5% thought quality as expected. In fact, 93.5% of consumers who thought the quantity of food provided was better than they expected, also perceived the quality of food to be better than expected. Inversely, if a cross tabulation of P8 *(Quality)* by P9 *(Quantity)* is analysed a similar pattern exists except for those consumers who thought that the quality of food was *'worse than expected'*.

Table 4.6 Cross Tabulation of P8 *(Quality of food)* by P9 *(Quantity of food)*

		P8		
		Worse	As	Better
P9	Worse	50%	1.7%	2%
	As	50%	93%	13.7%
	Better	0%	5%	84.3%

Table 4.6 shows that half of consumers also thought the quantity of food provided as *'worse than expected'* but the other half of that consumer group also thought the quantity was *'as expected'*. From this inference can be made that the perception of the quality of food will not affect the perception of the quantity of food. That is, consumers who perceive quality to be worse than expected do not necessarily perceive quantity to be worse. On the other hand, quantity may affect the perception of quality since most respondents were in agreement as to their scores for quantity and quality. The attributes are clearly inter-related and a variation on a central theme, namely quality of management and staff.

4.5 Net Service Quality versus Re-purchase

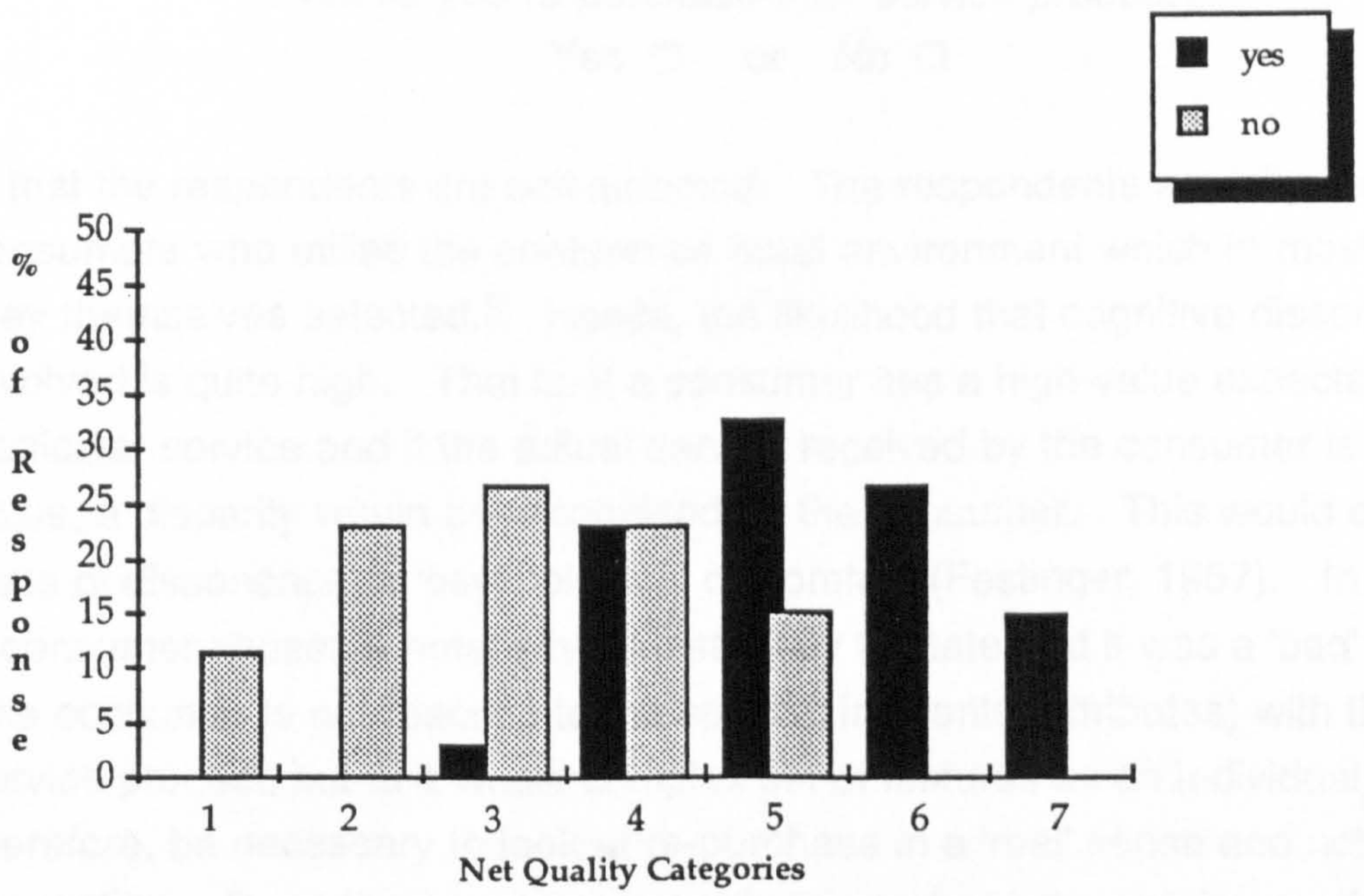
Net service quality is the term given to the *overall* judgement made by consumers on the performance of a product against their expectations. This judgement arises from the *net* effect of the different attributes which make up the 'whole' product. Each attribute relates to a specific transaction/interaction while consumers are in the consumption/purchasing process. For each incident, the consumer may perceive the performance of each attribute as confirming or disconfirming their expectations. If expectations are confirmed or positively disconfirmed the consumer may feel satisfied with the specific attribute, and if expectations are negatively disconfirmed the consumer may feel dissatisfied with the specific attribute. There incidents of satisfaction or dissatisfaction continue until the consumption process is completed and the combined and interactive effect of these attributes result over time in a judgement about the *overall* service quality provided. The *overall* judgement made by consumers about the interactive effect of satisfaction and dissatisfaction with specific attributes required measurement. This would then

allow for the assessment of dominant attributes which significantly influenced the perception of the net service quality.

Respondents rated the net service quality in terms of satisfaction with the overall performance and willingness to re-purchase. Overall performance was rated on a scale from 1 to 7, with 1 being poor overall performance and 7 being excellent overall performance. Willingness to re-purchase was stated by a yes or no response.

Re-purchase, like overall quality, was measured by a simple question. Initially cross-tabulation was used to assess if there was a significant relationship between overall performance and re-purchase. A fairly large percentage of consumers, 20.3%, had stated that they would not re-purchase the product. The analysis showed, with a chi-squared significance of .000, that *all* of the consumers who rated overall performance as 6 or 7 would re-purchase.[4] From this, inference can be made that consumers who rate overall performance highly will be likely to re-purchase the product. On the other hand, those consumers who perceived overall performance to be less than a rating of 4 (on a 1-7 scale) were unlikely to re-purchase the product, as Figure 4.1 shows.

Figure 4.1 Re-purchase by Response to Net Quality



Thus, as would be expected, there appeared to be a highly significant relationship between overall performance of the product and willingness to re-purchase. They are essentially measuring the same thing. However, this is only true under competitive conditions. Where a service product is a monopoly, dissatisfaction can (and is) coupled with reluctant re-purchase, for example water quality. This is of importance, since consumers clearly want the product which is produced to be satisfying. Consumers will re-purchase a product because they think it of value, and that it will satisfy their expectations. This increases the probability of re-purchase by the consumer. If the consumers do not judge the performance of product to be satisfying, there is a distinct possibility that there will be no resales of the product to that particular consumer. This means that a small section of the market is lost. Delegates generally have little involvement in the choice of venue but are getting increasing by more opportunity to voice their opinions on the performance of the hotel. One company which was interviewed requested all company delegates to fill in a detailed questionnaire everytime a meeting/conference had taken place. This aided the organiser in considering possible re-purchase of the product. In addition, some companies stated that they had accumulated a 'black list' with all those hotels at which a poor quality of service was experienced.

The major problem with a simple re-purchase question such as

'Would you re-purchase this service product?'

Yes ☐ or No ☐

is that the respondents are self-selected. The respondents actually are the consumers who utilise the conference hotel environment which in most cases they themselves selected.[5] Hence, the likelihood that cognitive dissonance is involved is quite high. That is, if a consumer has a high-value expectation of a particular service and if the actual service received by the consumer is of low value, a disparity would be recognised by the consumer. This would create a state of dissonance or 'psychological discomfort' (Festinger, 1957). In short, if a consumer choses a hotel s/he is less likely to state that it was a 'bad' hotel. The consumer is not reacting to the specific incidents (attributes) with the service product, but at a whole complex set of features as an individual. It may therefore, be necessary to look at re-purchase in a 'real' sense and not just as a question. Does the consumer actually re-purchase the service product in the face of competition of other service providers or does the consumer go elsewhere.

Whether the re-purchase or net quality measures are used as a principal index of producer performance, dissonance may well be reflected in the data and reduce the accuracy of analysis. The existence of dissonance may have led the respondents to adjust the perceived discrepancy between expectation and performance. In a way, the respondents may have deceived themselves into judging that the net service quality was not so bad after all and that they would re-purchase. This may explain why only 14.8% of respondents rated net quality as poor, below the mid-point of 4. What explains this 14.8% and the larger percentage of 20.5% of respondents who would *not* re-purchase the service product. In addition, do these two categories exists of the exact same respondents? This group of consumers who stated that the net service quality was poor or/and that they would not re-purchase needs to be explained. Sheriff and Hovland (1961) explain the 'dissatisfied' consumer group by suggesting that dissonance occurs when the difference between consumer expectation and perceived performance is not too large. When this difference is large it will be magnified in the consumers mind and consumers will be 'dissatisfied (for a more detailed discussion on consumer psychology theories see Chapter 1, Section 1.5).

In addition, the qualitative data revealed that some consumers do not re-purchase the same product due to external reasons. For example, it may be company policy to use alternative venues at various locations around the country to distribute evenly the travel time of delegates.

4.6 Conclusions

The performance of each attribute as perceived by the consumer, has been measured. The consumers gave an indication of their judgement between their experience and their expectations.

Factor analysis re-grouped the attributes into two main components which have been termed the functional (the non-physical attributes) and technical (the physical attributes) components.

The initial analysis of the statistical relationships between the attributes themselves was investigated through a correlation matrix. In total, 14 variables were shown to have a strong, positive relationship with other variables. From those there was only 1 variable from the technical component of the service product. The term net quality was introduced as an *overall* judgement of the product. This was measured in the form of overall

performance and willingness to re-purchase. Analysis showed a strong significant relationship existed between these two variables. The overall perception of the quality of service provided is a clear indicator of re-purchase.

Having obtained ratings of the perceived performance for each of the 23 attributes and, crucially, ratings of *overall* judgements it now remains to put in the last piece of the jigsaw.

Namely, the possible relationships between the evaluative attributes and net quality which is the overall performance as perceived by the consumer.

Footnotes to Chapter 4

1 The ordinal data obtained through such a method would be subjective.

2 Time and financial constraints could not facilitate for the required access.

3 See Chapter 1, Section 1.4 on a review of the literature.

4 The most commonly used test of significance for independence for tables containing ordinal values is chi-square (Bailey, 1984).

5 Most respondents are conference organisers.

CHAPTER 5

Assessing the Relationship of Net Quality with the Evaluative Attributes

5.1 Introduction

Assessment of how the quality of a service is perceived by consumers is an issue which needs to be addressed because,

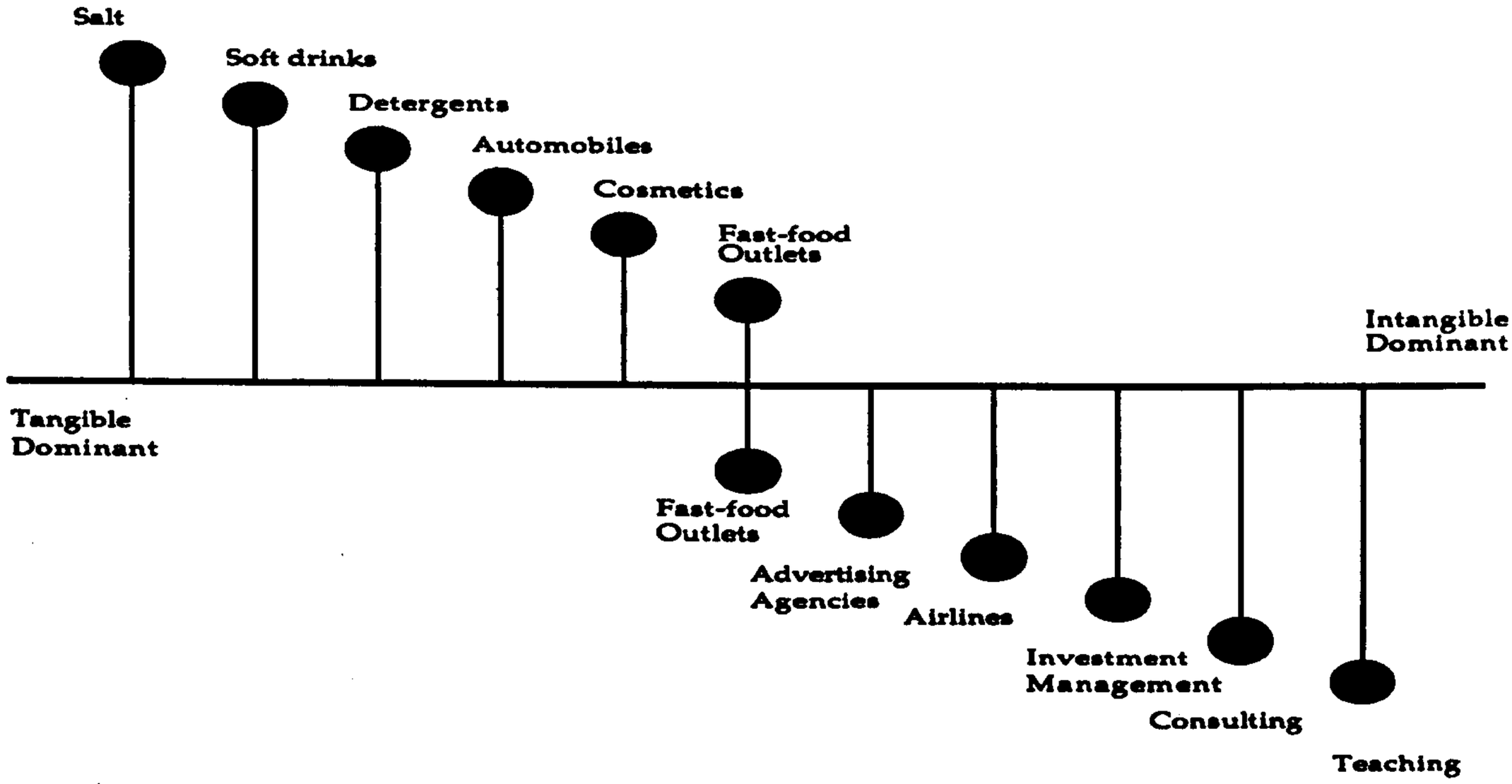
> *"When the service provider understands how the services will be evaluated by the users, it will also be possible to identify how to manage these evaluations and how to influence them in a desired direction".*
>
> (Gronroos, 1988).

The methods used to assess service quality have been described in Chapters 3 and 4. This was achieved by identifying the attributes which consumers expect from the service product. These attributes are then refined into 23 relevant attributes. Finally, the levels of perceived performance were measured on these attributes and, crucially, the overall performance as perceived by the consumers was measured. With this information it is now possible to establish what, if any, the causal relationships are between the attributes and net service quality.

Possible relationships need to be investigated in order to identify which attributes, or combination of attributes, influence or determine the overall performance of a service. Thus, it is necessary to know which attribute(s) fulfil minimum expectations and which attribute(s) increase the net perceived quality of the service which is consumed/purchased.

As stated in Chapter 1, several authors (Shostack, 1977; Sasser et al. 1978; Middleton, 1989) used a 'scale of marketing entities' to illustrate the importance of a continuum in defining services as seen in Figure 5.1 below.

Figure 5.1 Scale of Marketing Entities
Source: Shostack, L. 1977.



They suggest that terms such as product or service are inadequate in describing the nature of what is purchased but, that a combination of attributes can be linked together to produce a 'whole'. The 'whole' can have either a technical or functional dominance. With reference to this research, it has already been established that the particular service product consists of both technical and functional components which are made up of several attributes (see Chapter 4, Section 4.3, Table 4.2). One of these components is dominant and according to definitions of services it should be the functional component.1

The models deal with the product/service as a combination of attributes. Thus, a method of analysis had to be found to establish what possible combination of attributes consisted of, in this research, and if some attributes proved to be more dominant than others. Brandt (1988) addressed this in his research on the identification of value enhancing service elements for service markets.

The data for this research was collected without knowledge of Brandt's work.[2] However, there appears to be a close parallel in the type of data collection between this research and that of Brandt. He advocates that the issue of service quality should be assessed by focussing on a

1) general or overall evaluation of service quality and
2) an evaluation on specific service attributes.

Both of these were addressed within the context of this research. A general judgement of the quality of service provided was posed as the question

Q. 1 The net quality of service in this hotel was...

and the specific attributes were evaluated as individual questions. For each of the previously identified 23 attributes a question was included on the questionnaire evaluating the attribute.

With such a similar pattern of data collection it was felt that analysis could, initially, proceed along the lines suggested by Brandt. This chapter discusses the stages of analysis and subsequent results.

5.2 Attributes as Independent Measures

Rather than focusing on net quality as the principal measurement and assessing which attributes influence *it* ,the approach advocated by Brandt was to consider the attributes independently and assess how the perception of net quality related to the attributes instead. Thus, the analysis does not use the attributes as a measure of net quality, but as independent measures by using net quality as a way of determining the perceptions of the attributes.

The focus, as advocated by Brandt (1988), is on the actual individual attributes and assesses for each attribute the levels of performance as perceived by consumers, rather than taking the mean score for each attribute. These results are then compared with the overall performance as perceived by the consumers.

Because of the distribution of the data, it was necessary to collapse the perceived performance responses for each attributes from 5 categories to 3. Since all 5 of these were specified it was justifiable to collapse them into the following:

much worse than expected
worse than expected > - worse

as expected - as expected

better than expected
much better than expected > - better

The responses would be re-coded in either of the 3 categories. For each of the 23 attributes there would be a group of consumers in the *'better'* category, a group of consumers in the *'as'* category and a group of consumers in the *'worse'* than expected category. These groups would then be compared on their ratings of the net quality of the whole service product (hereafter referred to as net quality). The method of analysis followed the approach chosen by Brandt (1988). The following was done for each of the 23 attributes.

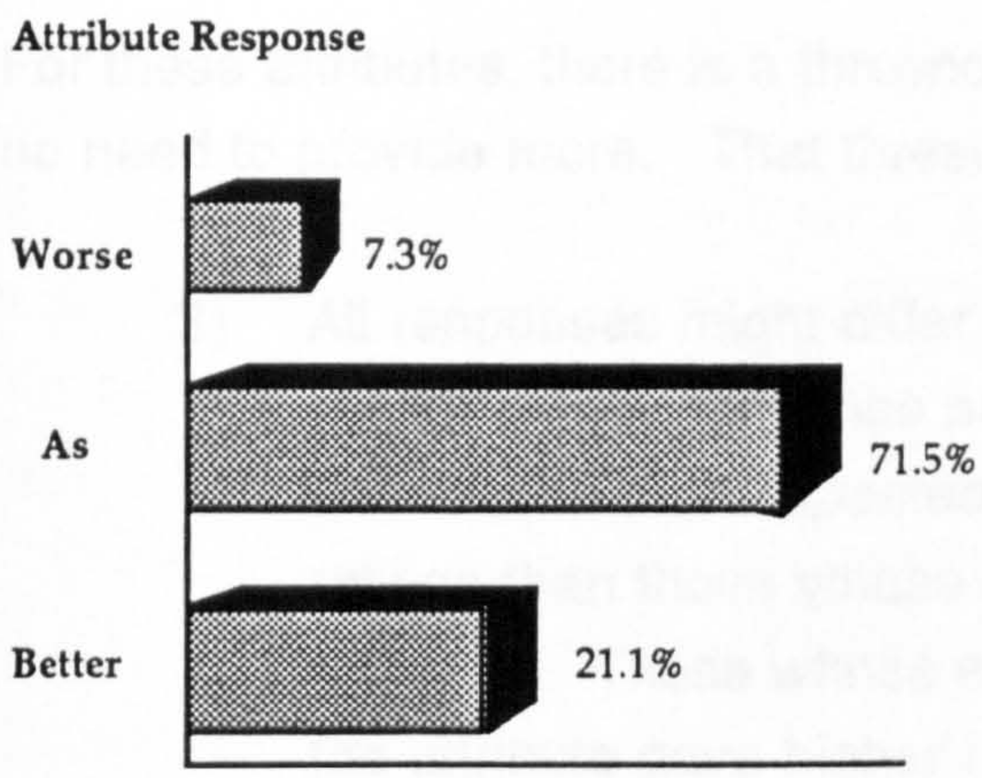
1) For each attribute, were the net quality ratings of consumers who rated the attribute as *'better than expected'* higher when compared with those of consumers who rated the attribute as *'as expected'*.

2) For each attribute, were the net quality ratings of consumers who rated the attributes as *'worse than expected'*, lower than those consumers who rated the attribute as *'as expected'*.

For example, it was found that for attribute *'Management was experienced in dealing with conferences'* only respondents who thought their expectations were met thought net quality was excellent.

The figure below exemplifies how these were calculated for attribute M1 *'Management was experienced'*;

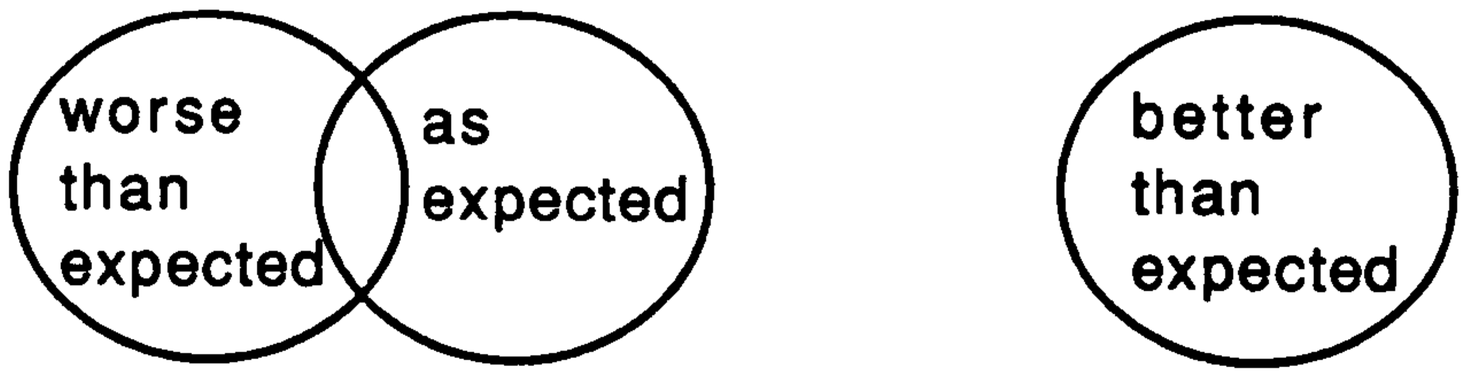
Figure 5.2 Consumer Groups and their Net Quality Responses



	Net quality Response In %						
	1	2	3	4	5	6	7
Worse	22	33.3	23.2	22.2	–	–	–
As	–	3.4	8.0	26.1	29.5	20.5	12.5
Better	–	–	3.8	7.7	38.5	34.6	15.4

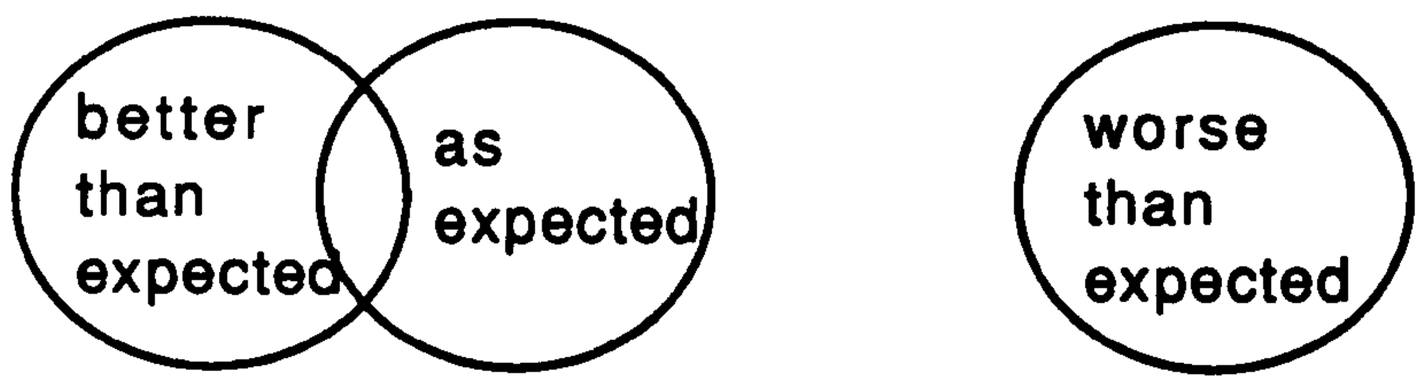
From this it can be seen whether there are any differences or similarities between consumer group responses to net quality. Brandt (1988) advocates, that there are three possible outcomes:

1) Consumers whose expectations were *'better than expected'* for the attribute will also give a higher rating for net quality than the other two groups who gave a similar response to each other, thus:



Similar Net Quality rating Higher Net Quality rating

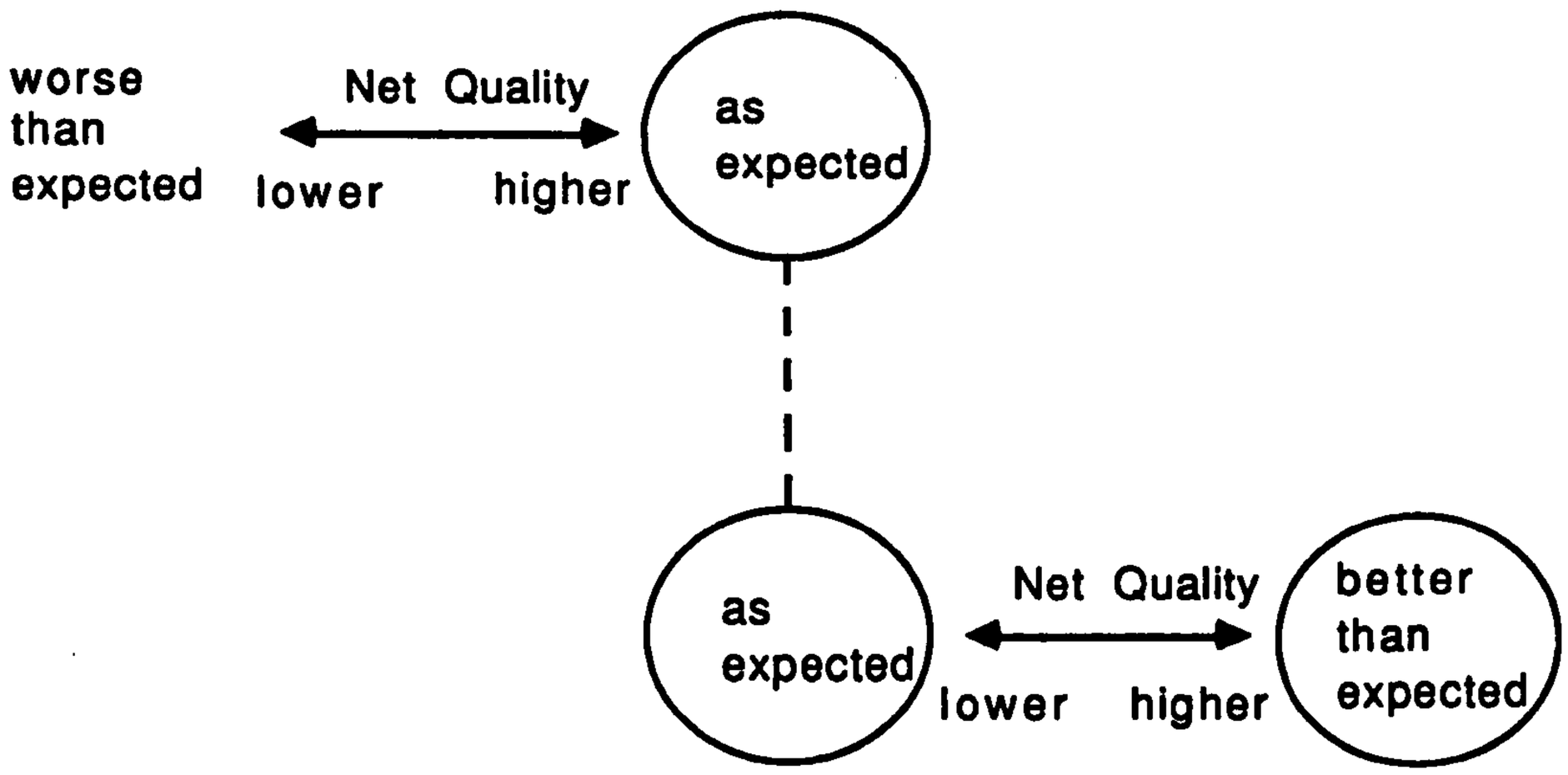
2) Consumers whose expectations were *'worse than expected'* with the attribute will also give a lower rating for net quality than the other two groups who gave a similar response to each other, thus:



Similar Net Quality Rating Lower Net Quality rating

For these attributes, there is a threshold that needs to be reached and there is no need to provide more. That threshold is the *'as expected'* threshold.

3) All responses might differ completely with no two groups being similar in their response pattern. That is; those whose experience was *'worse than expected'* with the attribute gave lower net quality ratings than those whose experience was *'as expected'* with the attribute. Those whose experience was *'better than expected'* with the attribute gave higher net quality ratings than those whose expectations were met.



This would mean that the attribute in question is expected to be provided and if this fails then the consumer is dissatisfied however, if the attribute is provided in such a manner that performance is *'better than expected'*, this could lead to increased consumer satisfaction. This attribute can be regarded as a major determinant of net quality.

Although Brandt does not mention it, there are other possible outcomes, for example, there may be no difference in the rating of net quality amongst any of the consumer groups. In addition, there could be a reverse outcome where the 'better' groups take quality lower than the 'worse' groups. Although this would seem unlikely, it may be possible with an attribute that has a negative effect on net quality.

5.3 Patterns of Response of Each Attribute

For each of the 23 attributes, the pattern of response between consumer ratings of attributes **and** net quality were examined. This procedure allowed for a non-parametric analysis by looking at the data without having to make assumptions about the distribution of observations and, crucially, without data reduction. The data may needed to be re-grouped, but assessment of *all* the possible patterns of response needed to be looked at before such a re-grouping could be justified.

The following table gives an example of the analysis undertaken on each attribute.

Table 5.1 Cross Tabulation of Attribute M1 *'Management was experienced'* by Net Quality

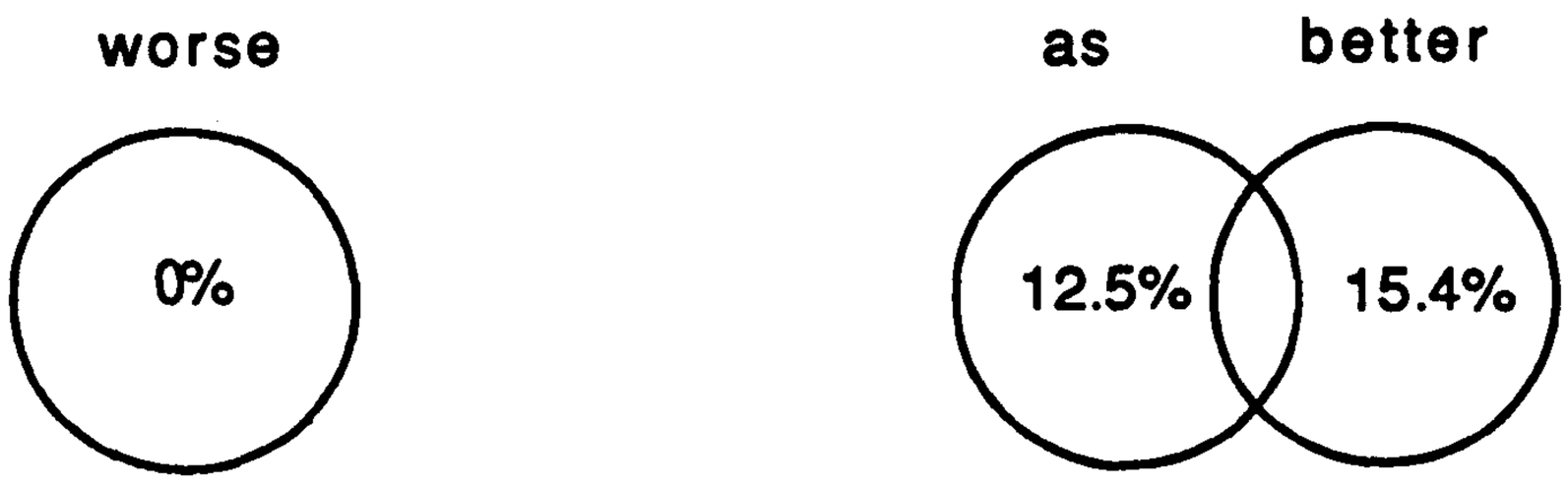
Consumer Groups	Net Quality Response 1	2	3	4	5	6	7
Worse	22%	33.3%	22.2%	22.2%	--	--	--
As	--	3.4%	8.0%	26.1%	29.5%	20.5%	**12.5%**
Better	--	--	3.8%	7.7%	38.5%	34.6%	**15.4%**

For those consumers who thought net quality was excellent (Net quality = 7), the observations were:

Worse	As	Better
0%	12.5%	15.4%

The consumers whose expectations were *'worse than expected'* gave significantly lower ratings of net quality than the other two groups which did not differ from each other. From the worse group no respondent rated net quality = 7, which would be expected. The point here is that there is *no* real difference in the responses of the other two consumer groups.

Consumers who Rated Net Quality as Excellent



This means that the attribute must meet, but need not exceed, consumer expectations. It is therefore a necessary condition but not a discriminant determinant of net service quality levels. Both groups net quality equals 6 and 5 followed a similar pattern.

However, the groups 1 to 7 represent a small percentage of observations of the consumer groups, and are not very meaningful. It was decided that it might be

better to collapse the cells which contain net quality = 5 or 6 or 7.
For attribute M1 the resulting percentage was:

Worse	As	Better
0%	62.5%	88.5%

Which still meant that consumers whose expectations were *'worse than expected'* gave significantly lower ratings (0%) than the other two groups which gave 62.5% and 88.5% and were very similar in their response.

This would mean that by looking at the net quality = 5, 6, 7 groups assessment can be made as to which attributes are more dominant than others in influencing net quality since that would be a direct opposite of looking at the poor net quality group. For all the attributes this reversible pattern was checked to ensure that the validation of analysing the net quality 5, 6, 7 response patterns with those responses given to the attributes. Since this narrowed the amount of data to be looked at, it was felt that looking at the groups which rated net service quality as 5, 6 or 7 should be looked at in detail without collapsing the data. For the 23 attributes the pattern of response was assessed between the perceived performance of each individual attribute and the net service quality as perceived by the same respondents.

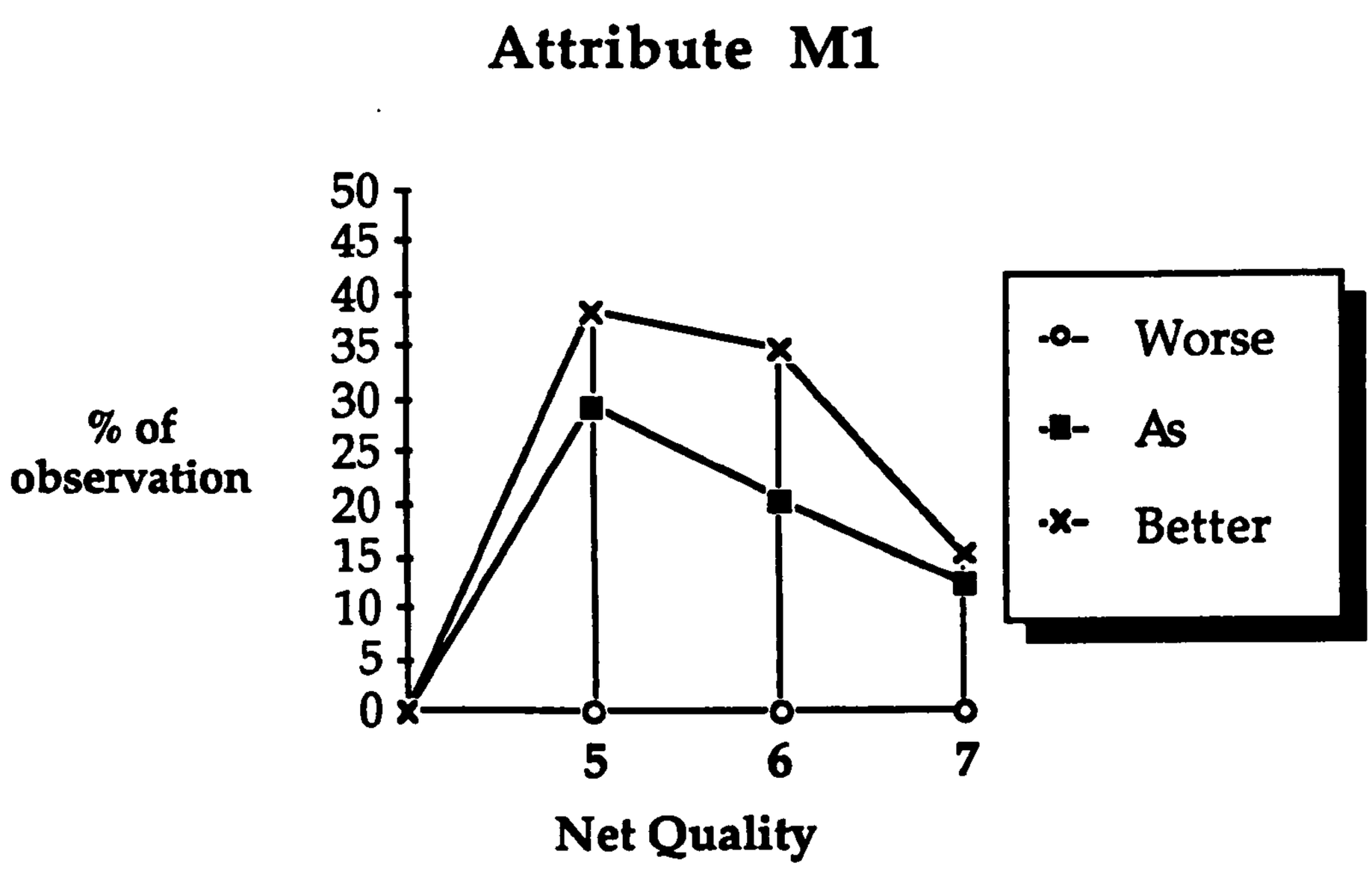
For attribute M1 *(Management was experienced)*, of those respondents who thought that the management was *'worse than expected'* with regard to experience in dealing with conferences, not one respondent thought that the net quality was good, i.e. 5 or 6 or 7. This attribute is possibly a determinant factor towards the consumers final perception of net quality since all respondents who were dissatisfied with this attribute also thought net quality was less than a rating of 5.

Clearly this is taken out of context since the other two consumer groups need to be analysed to establish a clearer picture of this attribute.

Out of the *'as expected'* consumer group for this attribute 29.5% rated net quality as equal to 5, with 20.5% rating net quality equal to 6 and 12.5% as net quality equal to 7. Therefore, if consumer expectations are met and consumers are satisfied with this attribute, a positive perception is created with regard to the overall performance of the service product.

One would expect that if the consumers who rated the experience of this attribute as *'better than expected'* gave significantly higher ratings for net quality, this would mean that the attribute is indeed a strong indicator and determinant factor towards a positive perception of net quality. However, the consumer group which rated the attribute *'Management was experienced'* as *'better than expected'* responded in a similar fashion to the *'as expected'* consumer group. In fact, 38.5% of the group rated net quality equal to 5, 34.6% rated net quality equal to 6 and 15.4% rated net quality equal to 7. The similarity in the pattern of response can be seen in Figure 5.3 below.

Figure 5.3 Attribute M1 ***(Management was experienced in dealing with conferences)*****- Consumer Groups by Responses to Net Quality**



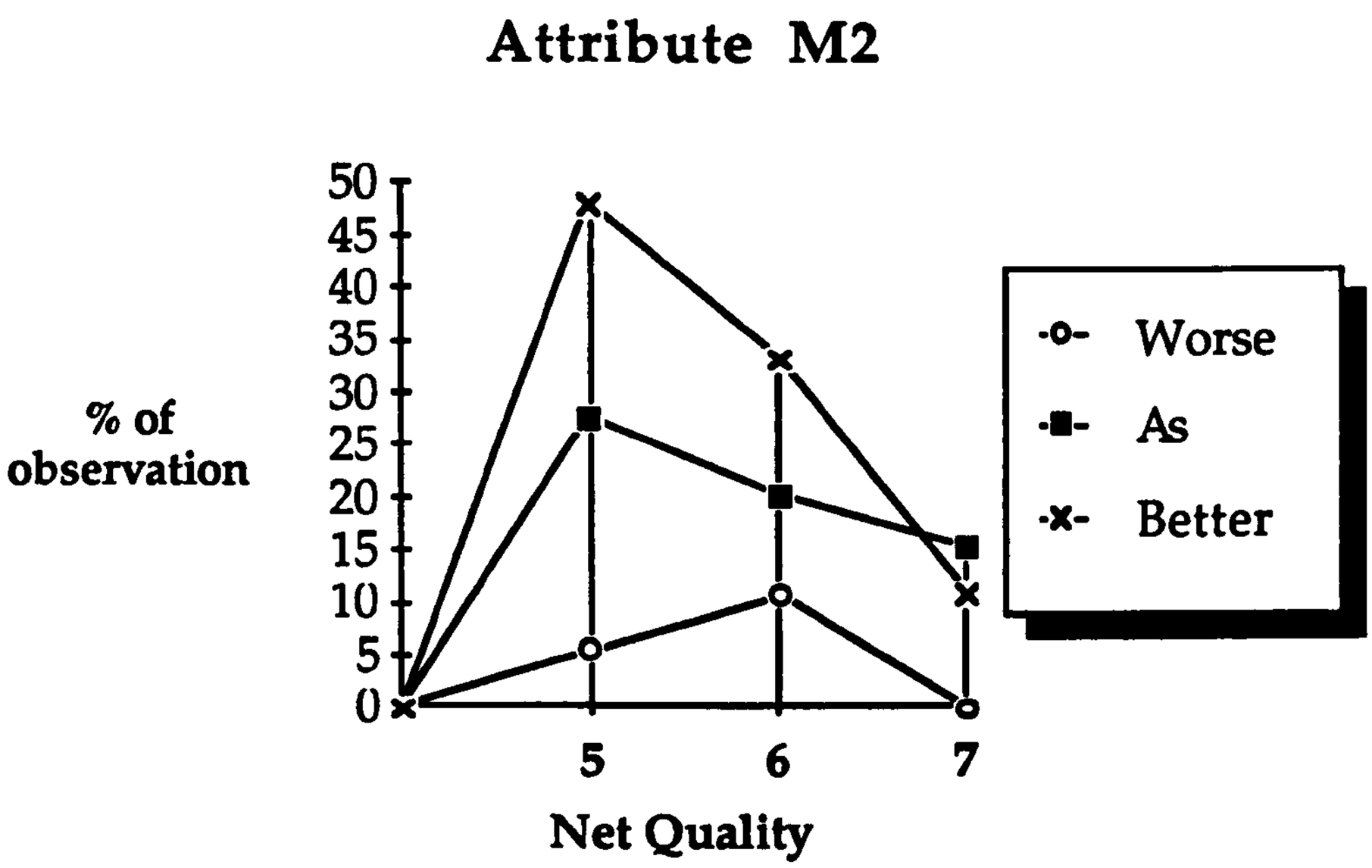
This indicates that the pattern of response between the *'as'* and *'better'* groups is similar with a higher percentage of the *'better'* consumer group responding to net quality equal to 5 and 6.

From this inference can be drawn that consumers expectations which are *'worse than expected'* with this attributes will have a poorer overall perception of the whole service product as opposed to consumers who rate this attribute *'as expected'* or *'better than expected'*. It can be concluded that this attribute is a determinant of poor net quality but not necessarily a determinant of good net

quality. The attribute is a necessary, but not sufficient component of good net quality. The remaining part of this section examines the pattern of responses for the other 22 attributes.

i) Turning now to M2 *(Professional management)* the following pattern of responses was obtained.

Figure 5.4 Attribute M2 ***(Did management act as professionally as you expected)*** **- Consumer Groups by Responses to Net Quality**



There are two separate issues to disentangle from Figure 5.3.

A) The tendancy for the 'As' and 'Better' groups to five rating of 5 and 6 rather than 7.

B) The lack of significant difference between the 'As' and 'Better" groups at the rating of 7.

Both of these, once again, suggest that this attribute is a precondition of quality but not a determinant of different levels of quality.
In fact, a similar pattern can be observed for the following attributes;

Figure 5.5 Attribute M4 ***(Did you regard the staff as being confident in what they were doing)*** **- Consumer Groups by Responses to Net Quality**

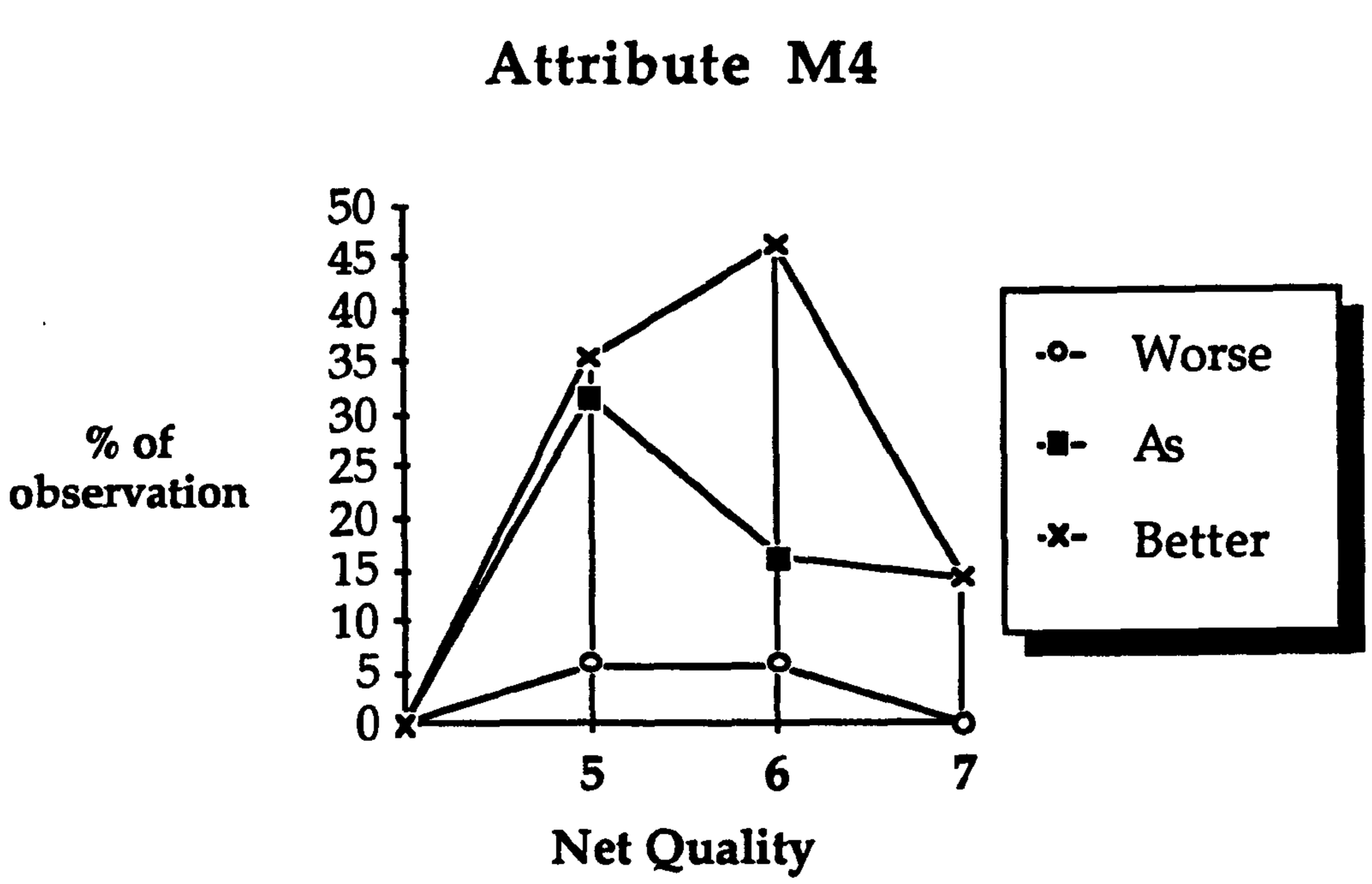


Figure 5.6 Attribute M6 ***(Did you and your delegates get the attention you expected)*** **- Consumer Groups by Responses to Net Quality**

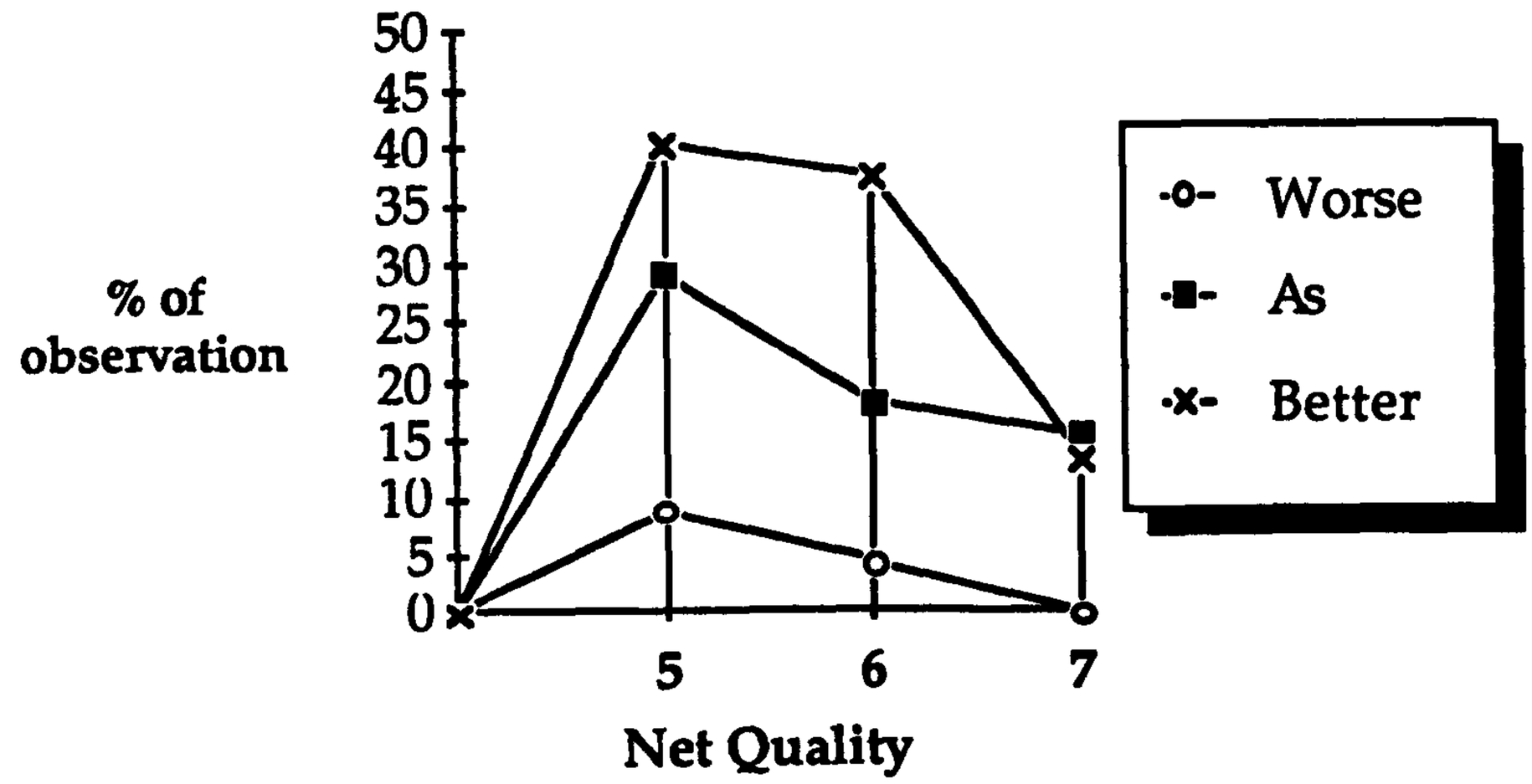


Figure 5.7 Attribute M8 ***(Were the staff as polite and friendly as you expected)*** **- Consumer Groups by Responses to Net Quality**

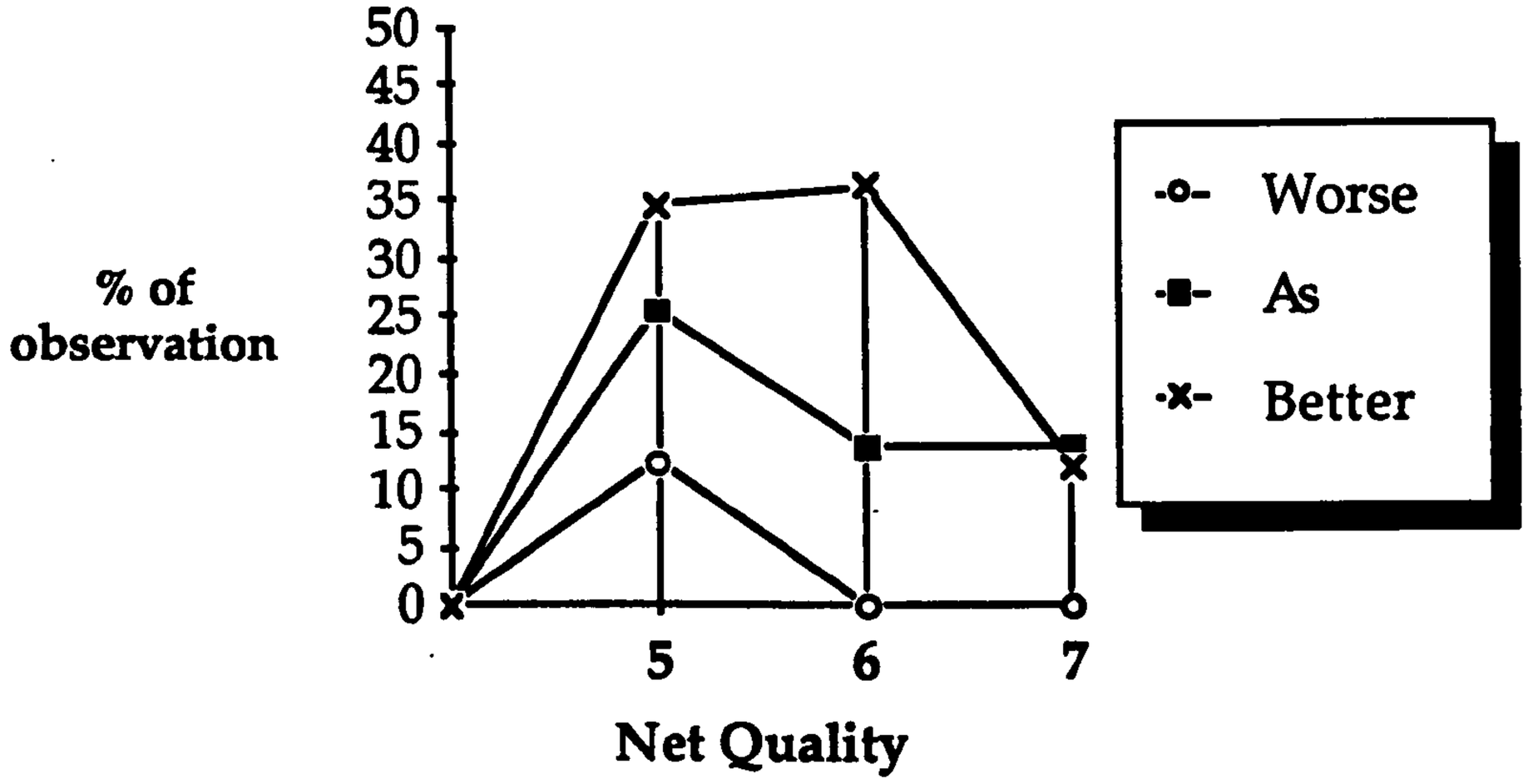


Figure 5.8 Attribute M10 ***(Was the ambience/atmosphere as you expected)*** **- Consumer Groups by Responses to Net Quality**

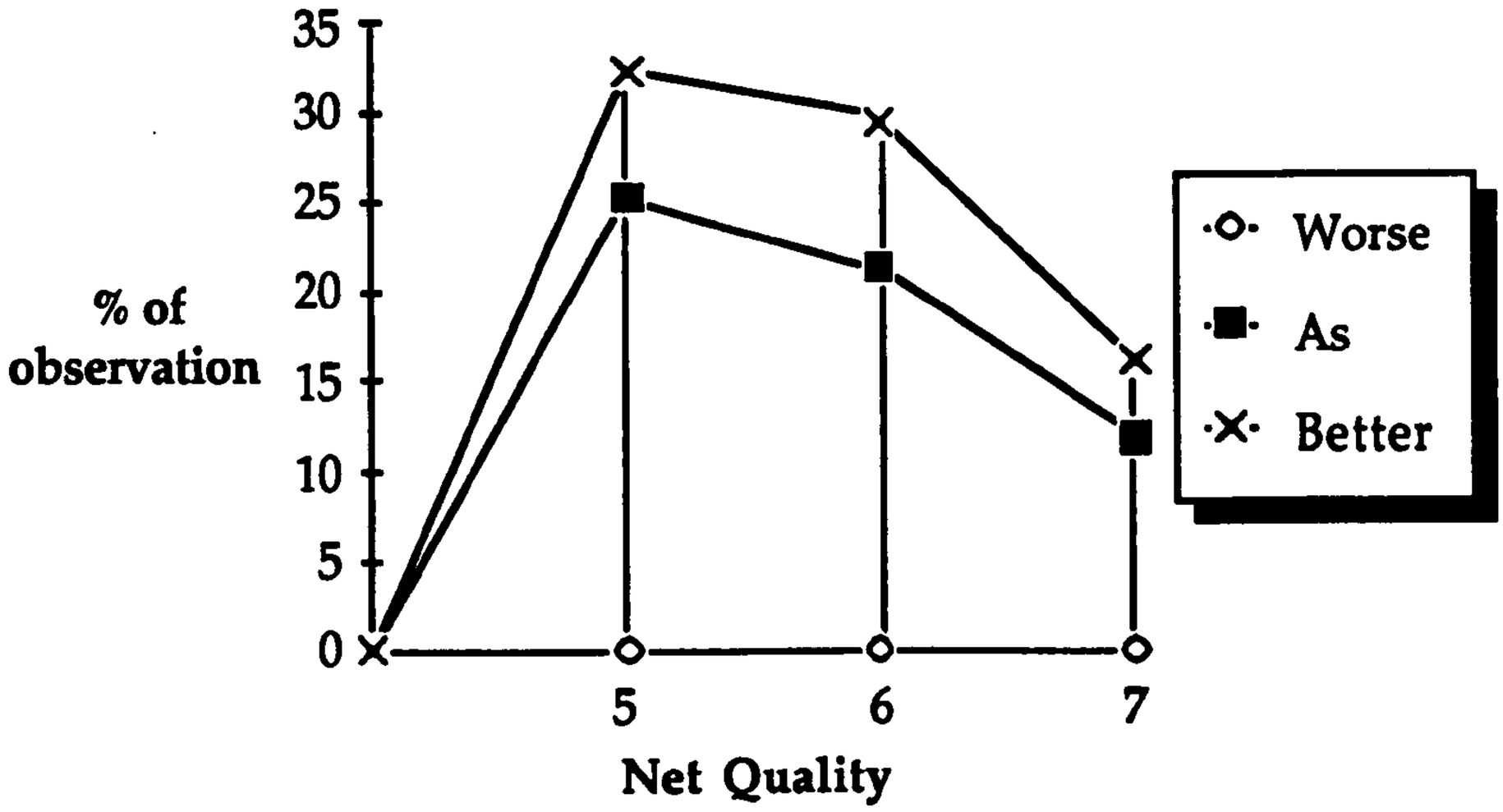


Figure 5.9 Attribute M11 ***(Did staff do their utmost to assist you and your delegates)*** **- Consumer Groups by Responses to Net Quality**

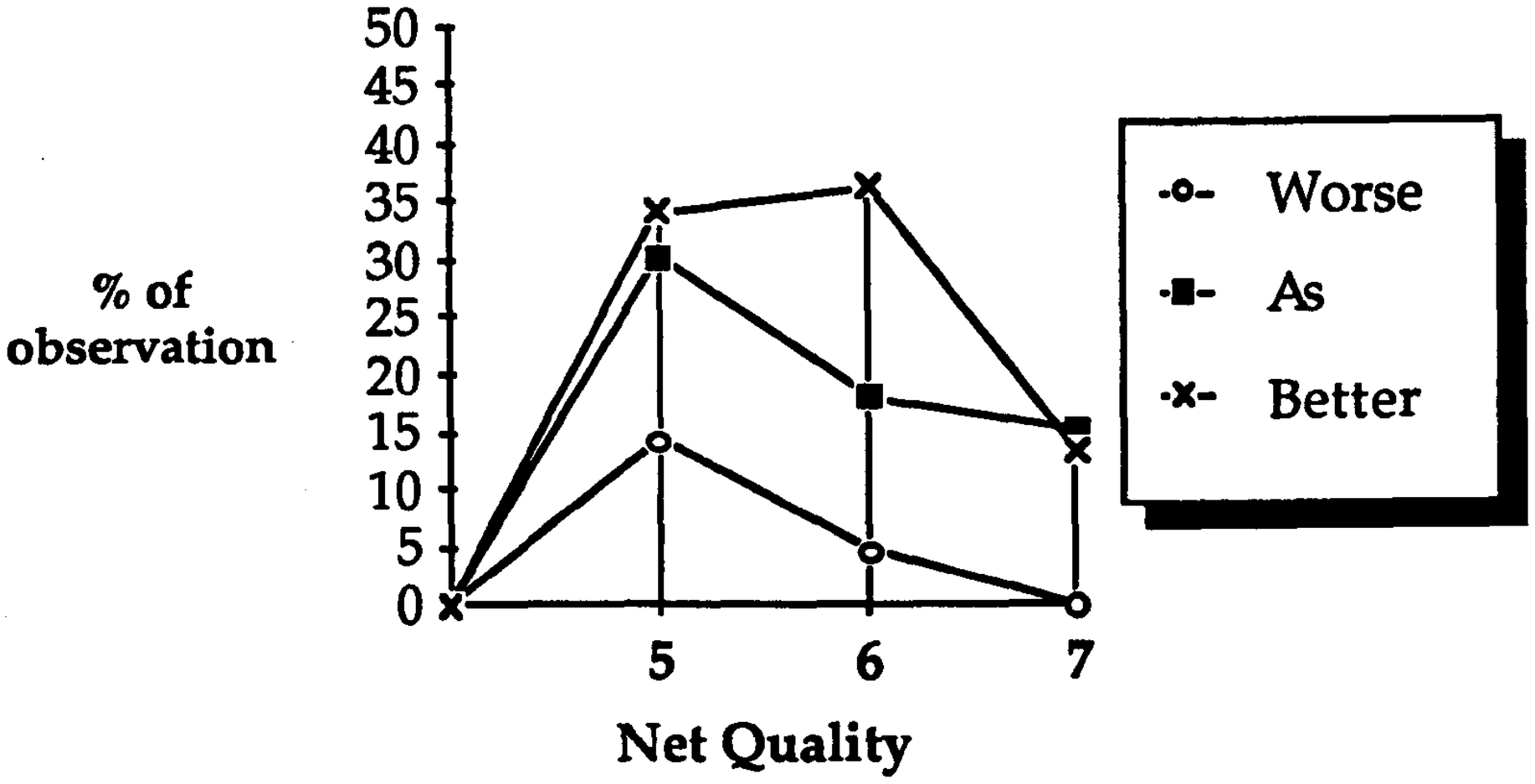


Figure 5.10 Attribute M12 ***(Did the management provide attention to little details)*** **- Consumer Groups by Responses to Net Quality**

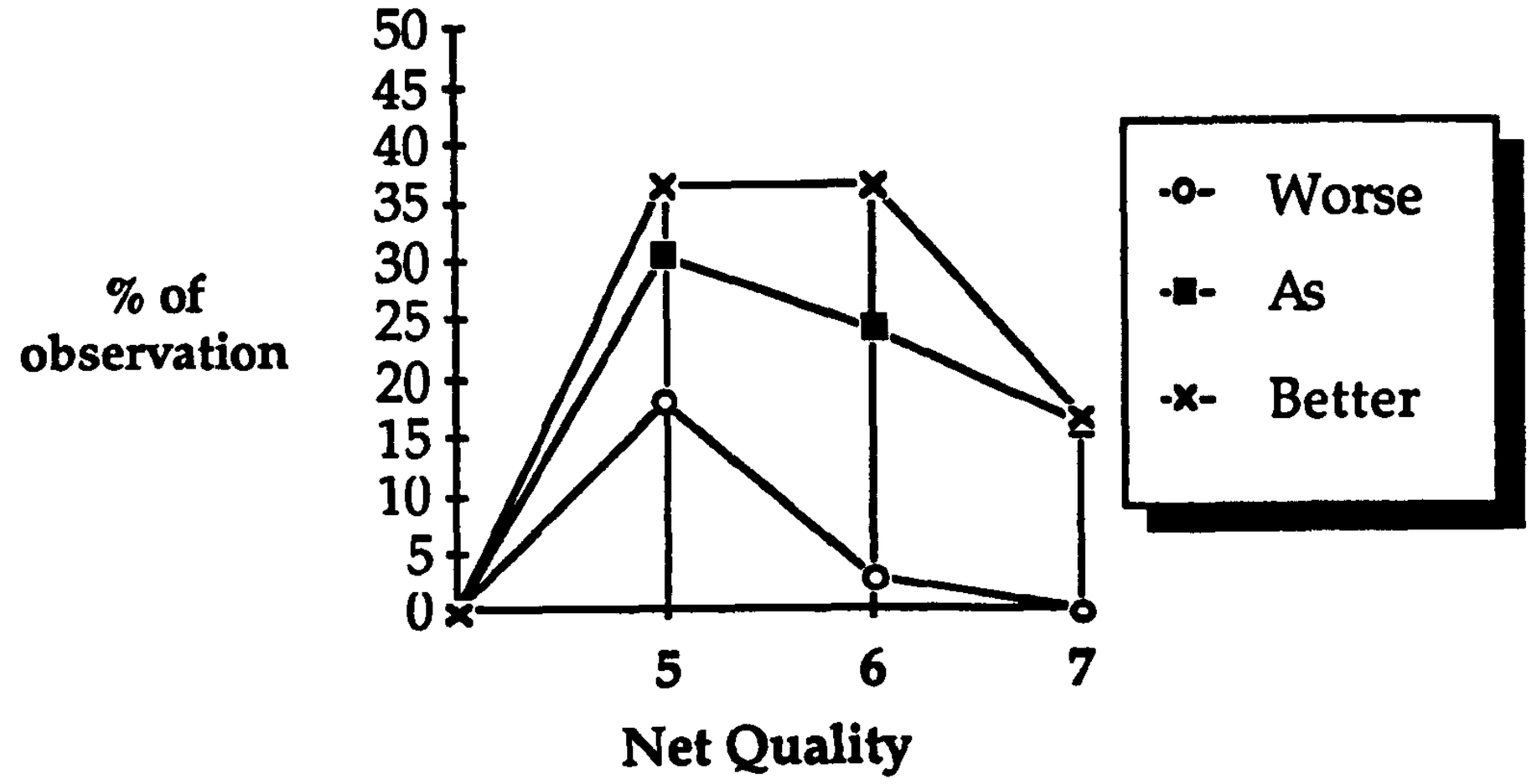
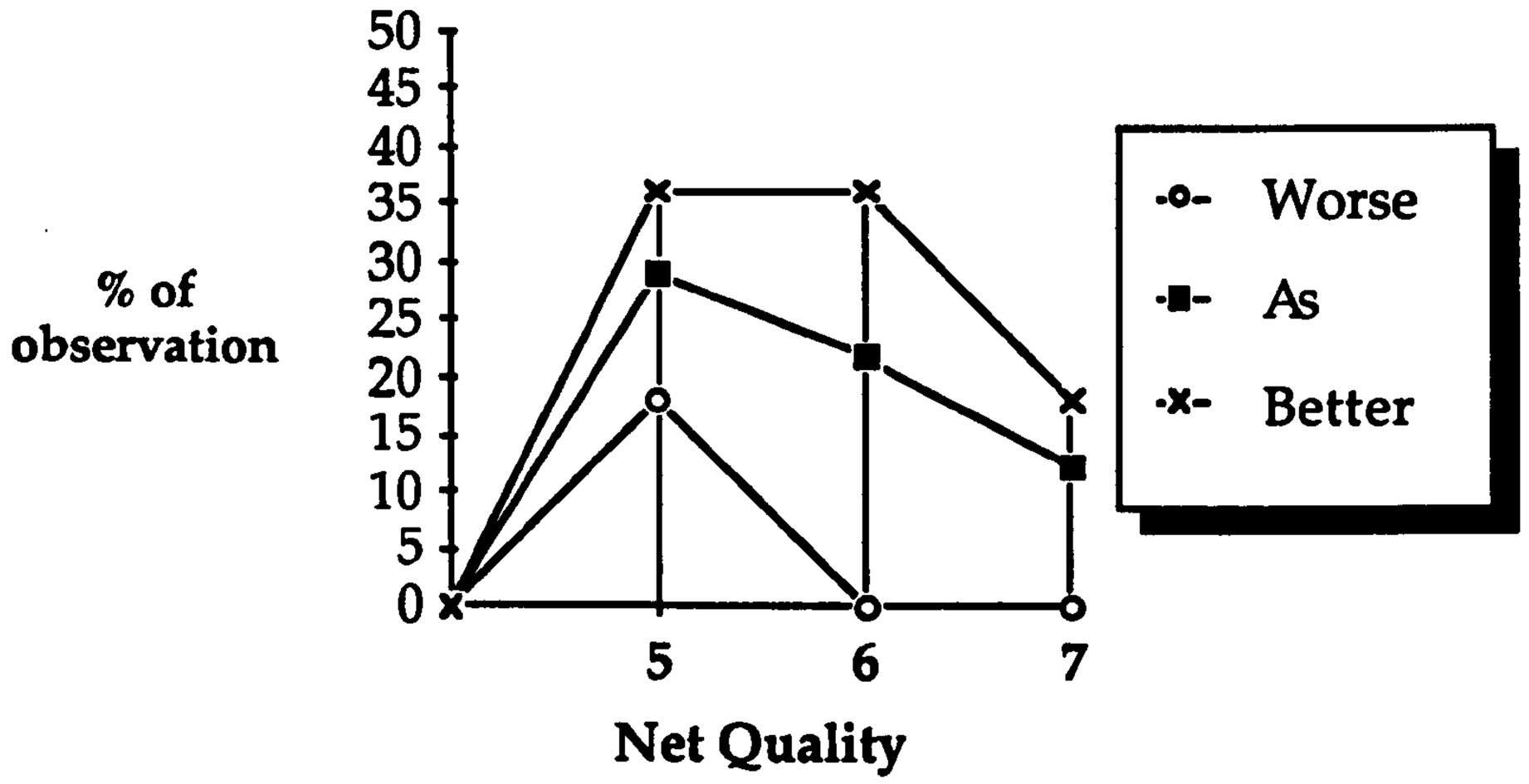


Figure 5.11 Attribute P10 ***(Was the final bill exactly as you expected)*** **- Consumer Groups by Responses to Net Quality**



For all these functional attributes a pattern similar to that of attribute M2 is revealed. It would appear that as long as expectations of these attributes are met (and not necessarily 'better than expected') the 'whole' service product is judged as being satisfactory, since consumers who rate attributes as *'as expected'* still rate net quality as 5, 6 and 7. There are three possible explanations for this.

First, both the attributes and the final overall judgement (Net quality) were measured on itemised rating scales. This may have created response bias if some respondents used the centre or middle values because they had no clear opinions about the question addressed to them. This could account for the large percentage of responses being in the *'as expected'* consumer group. However, not all of the respondents in that group opted for the middle value (4) on the question on net service quality.

A second and more plausible reason why the *'as expected'* consumer group gave a similar pattern of response to the *'better than expected'* consumer group relates to the consumer psychology theory of cognitive dissonance (see Chapter 1, Section 1.5 for more detail). Since the respondents are the actual persons who chose/organised the venue they may ignore the negative or

dissatisfactory incidents. The more significant the decision of choice the hotel was to the respondent, the greater the dissonance. Thus, unless the contrast between expectation and performance of the service product is very great, consumers are inclined to put themselves in the *'as expected'* group and deceive themselves into judging net quality as above average (or the middle point of 4).

A third explanation can be related to the economists theory of diminishing marginal utility. Consumers reach a threshold for maximum utility once their expectation are met, thus creating a state of satisfaction with the attribute(s). Thus although performance is seen as *'better than expected'* it has no effect on net service quality because the extra performance on the attribute is superfluous.

ii) This may also explain why some of the patterns of response show a larger percentage of the *'as expected'* consumer group rating net quality equal to 7 than the 'better' consumer group. This is the case with the following attributes:

Figure 5.12 Attribute M3 ***(Did the staff carry out arrangement exactly as requested)*** **- Consumer Groups by Responses to Net Quality**

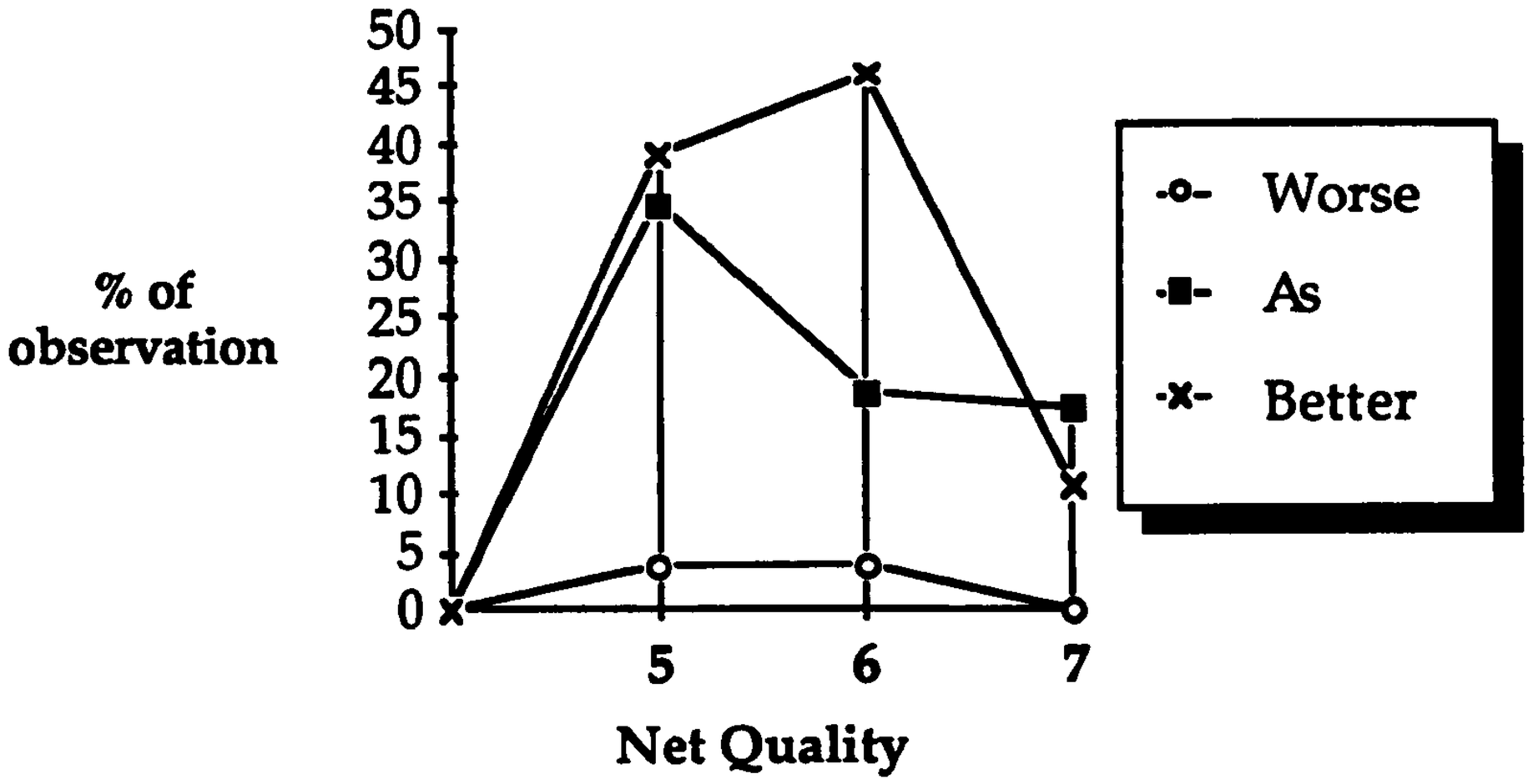


Figure 5.13 Attribute M5 ***(Could you depend on the hotel staff and management)*** **- Consumer Groups by Responses to Net Quality**

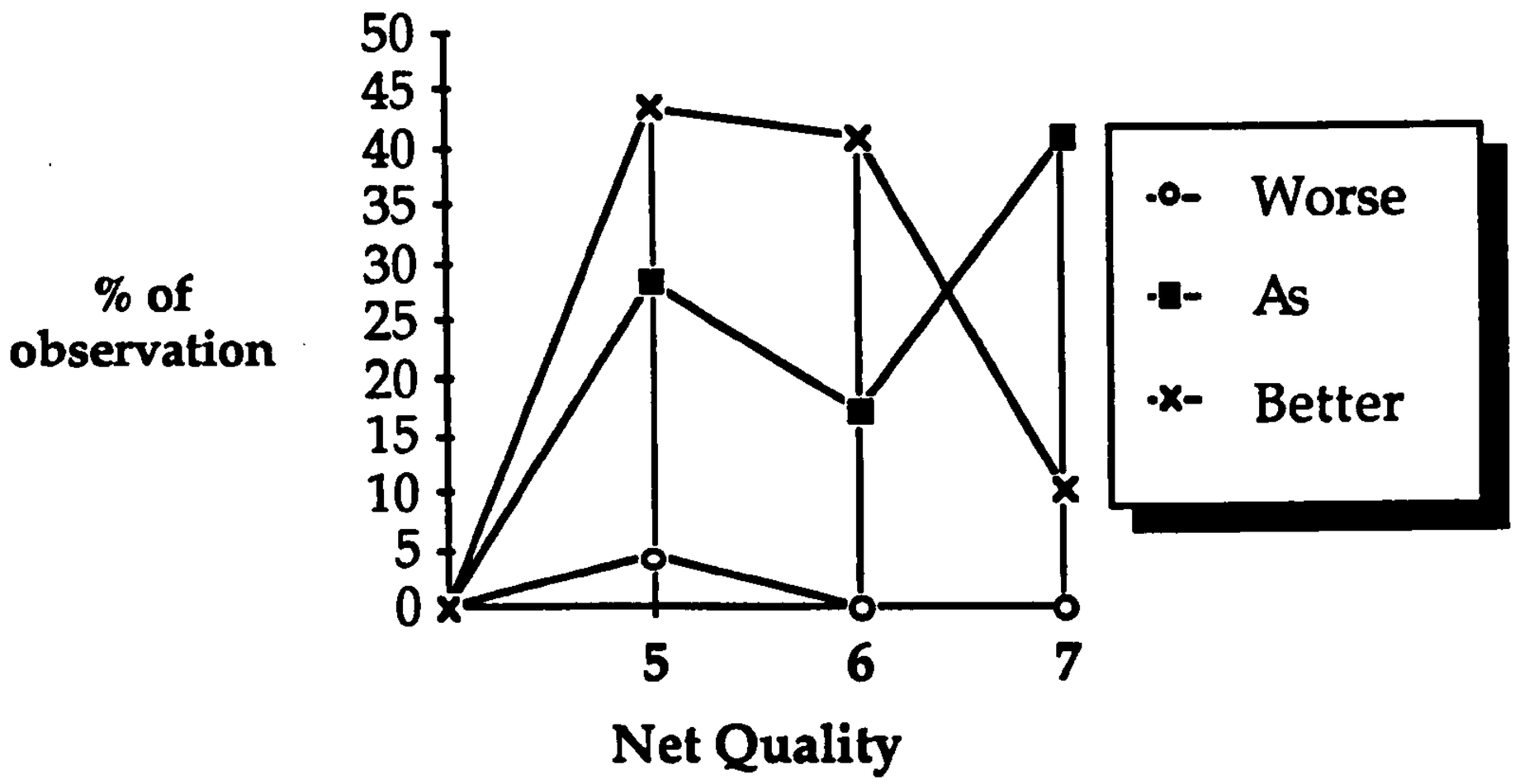


Figure 5.14 Attribute M7 ***(Were management sympathetic if problems occurred)*** **- Consumer Groups by Responses to Net Quality**

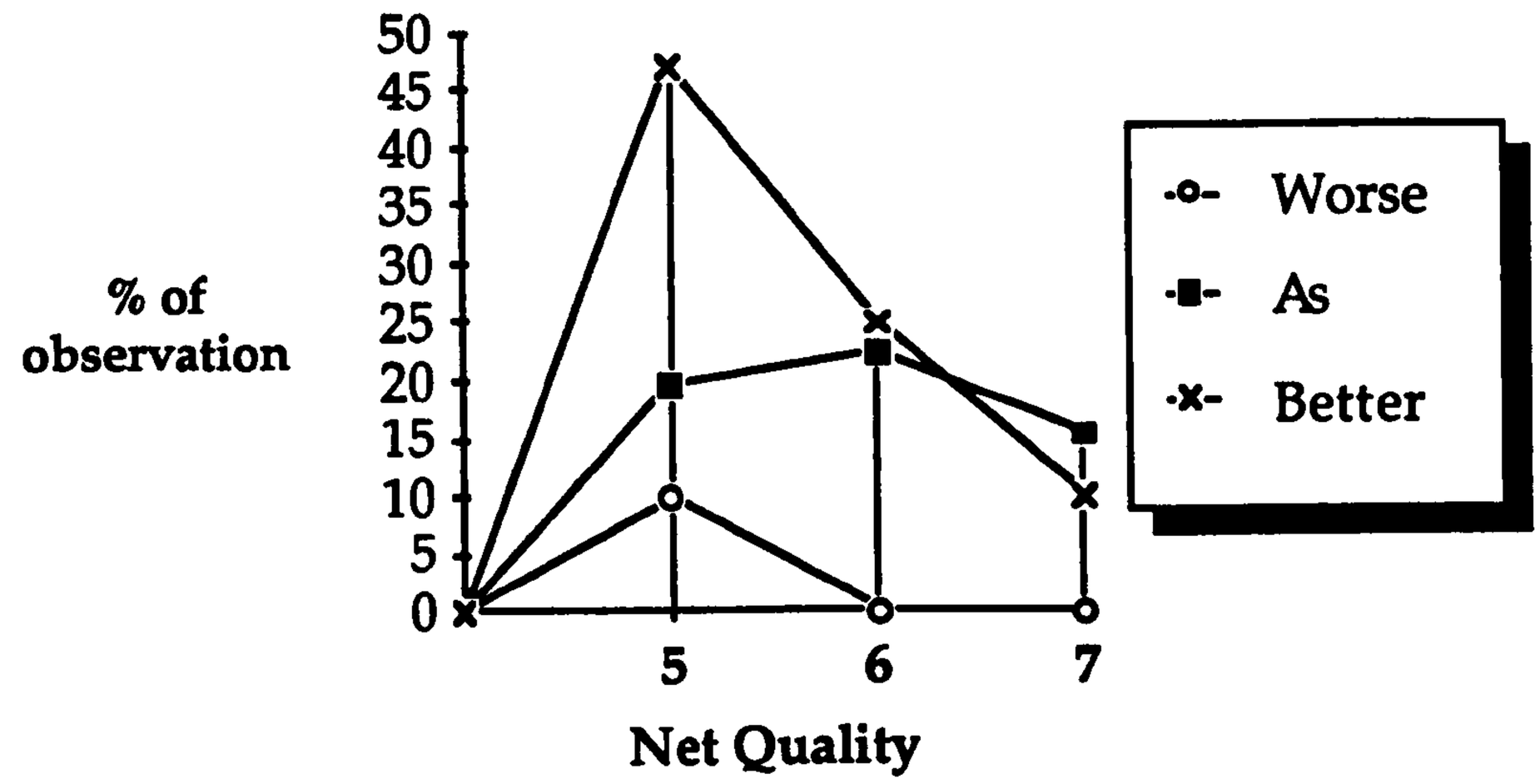


Figure 5.15 Attribute M9 ***(Did staff react immediately to requests you made)*** **- Consumer Groups by Responses to Net Quality**

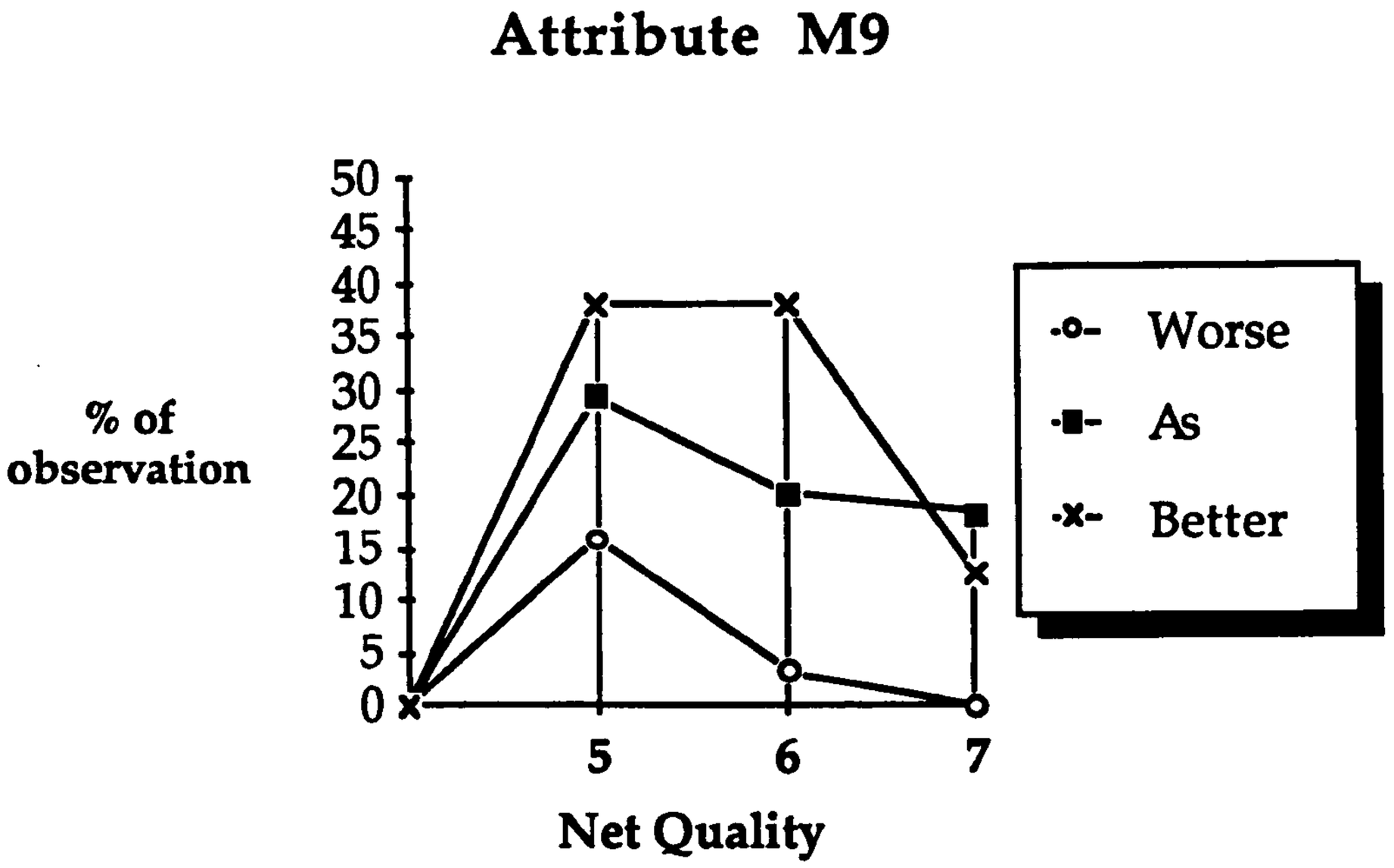


Figure 5.16 Attribute P2 ***(Were the ashtrays, cups etc., cleared away throughout the day)*** **- Consumer Groups by Responses to Net Quality**

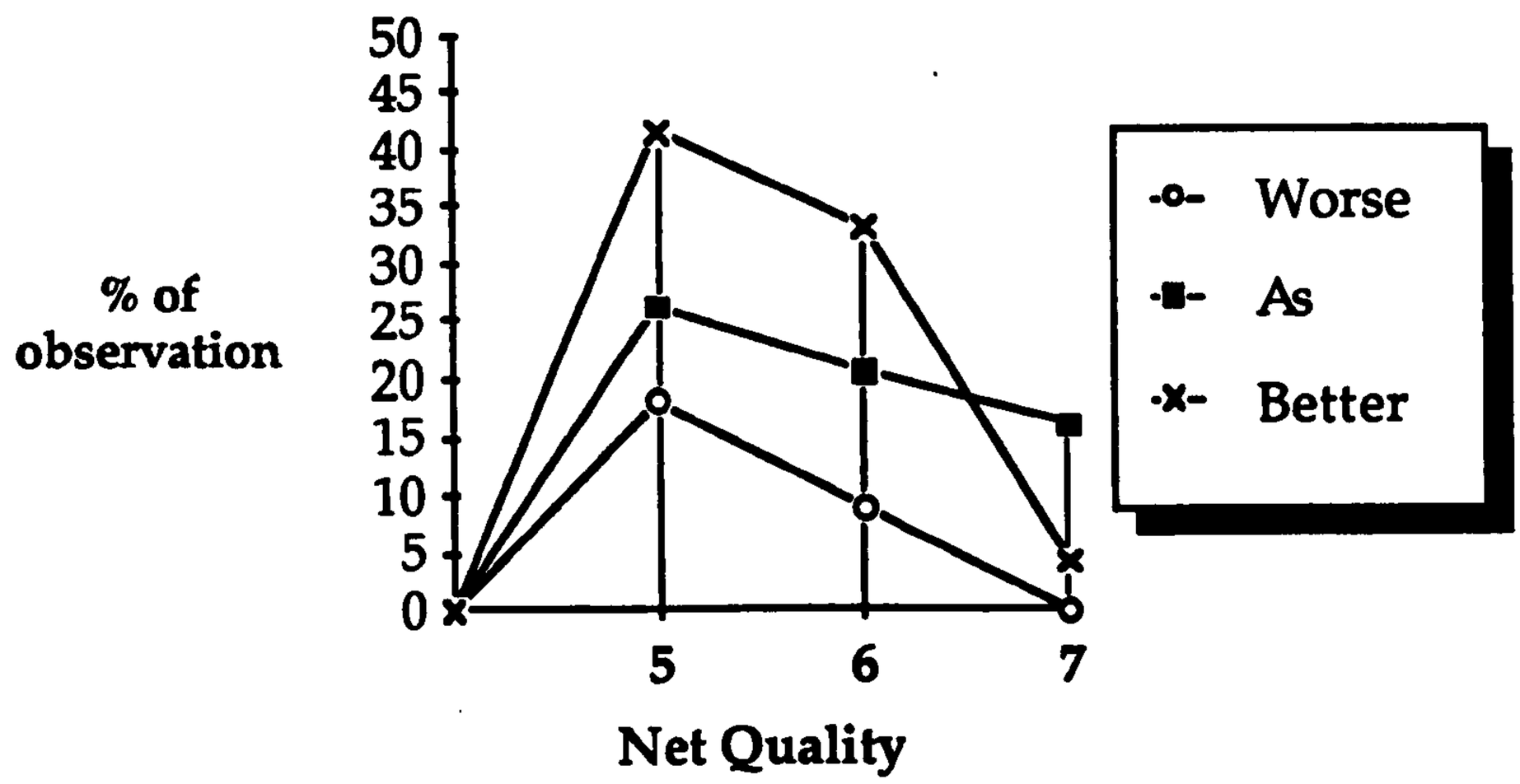


Figure 5.17 Attribute P3 ***(Was the standard of decor as pleasant as you expected)*** **- Consumer Groups by Responses to Net Quality**

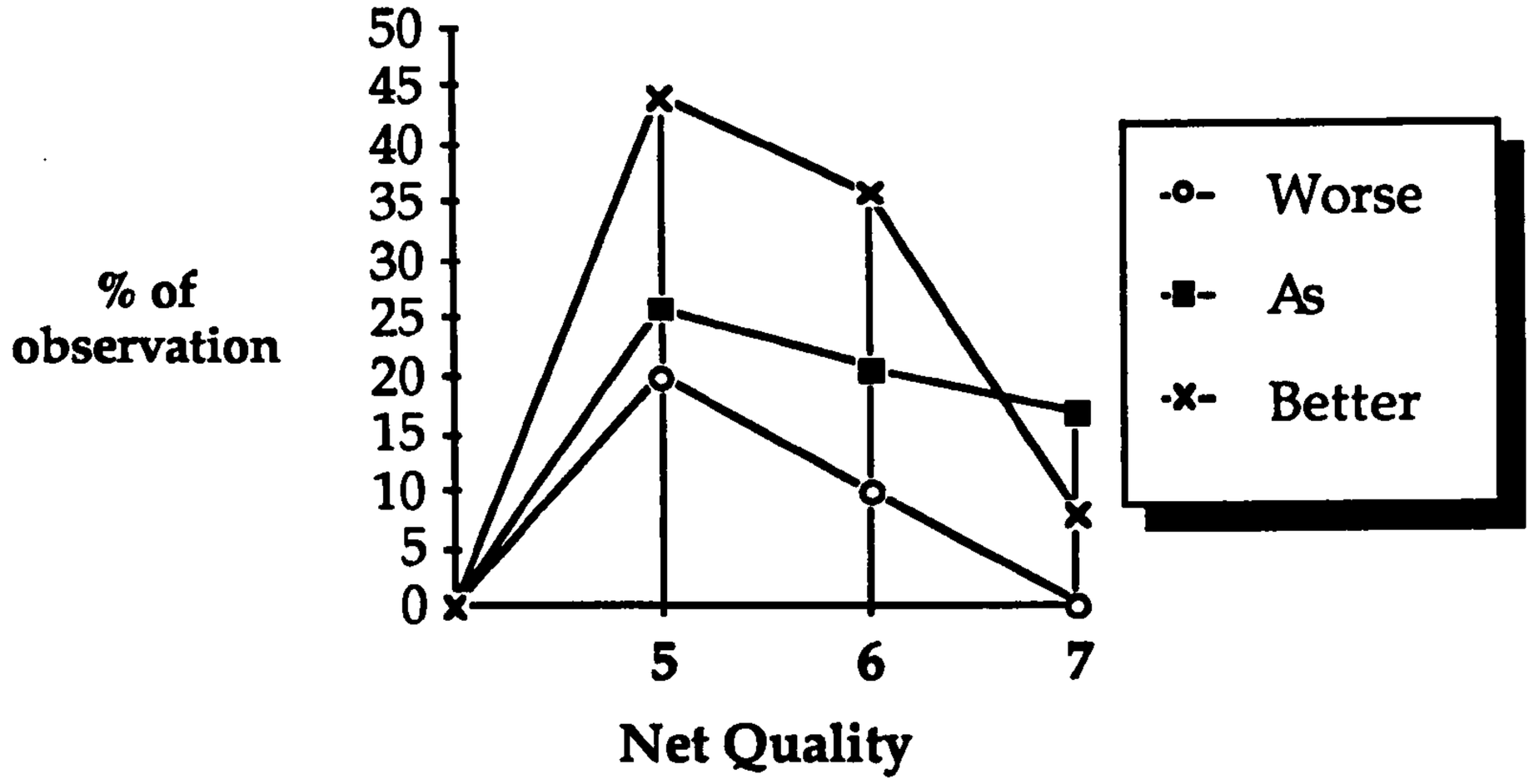


Figure 5.18 Attribute P6 ***(Were the general facilities as clean as you expected)*** **- Consumer Groups by Responses to Net Quality**

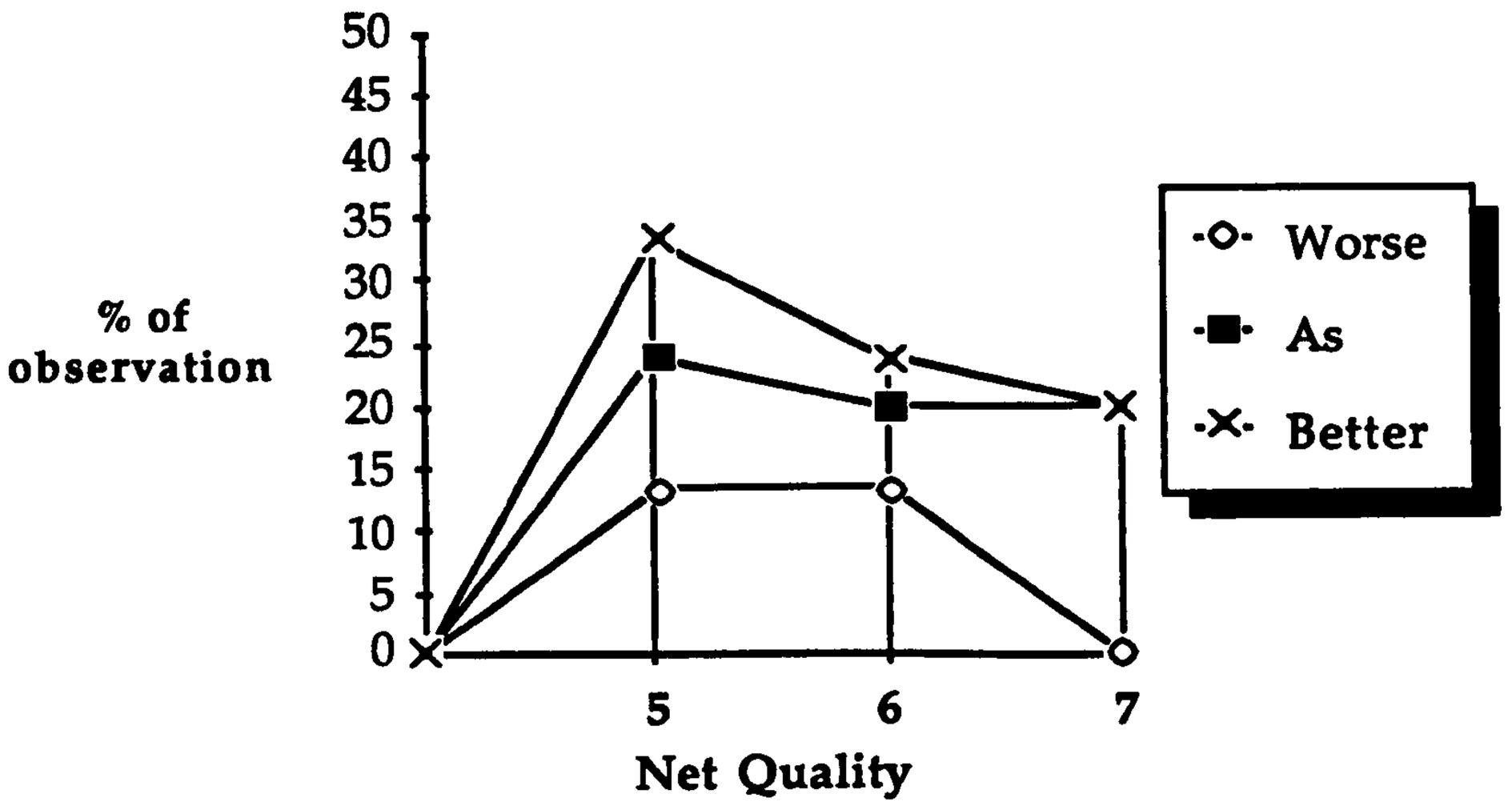


Figure 5.19 Attribute P7 ***(Was equipment available when required)*** **- Consumer Groups by Responses to Net Quality**

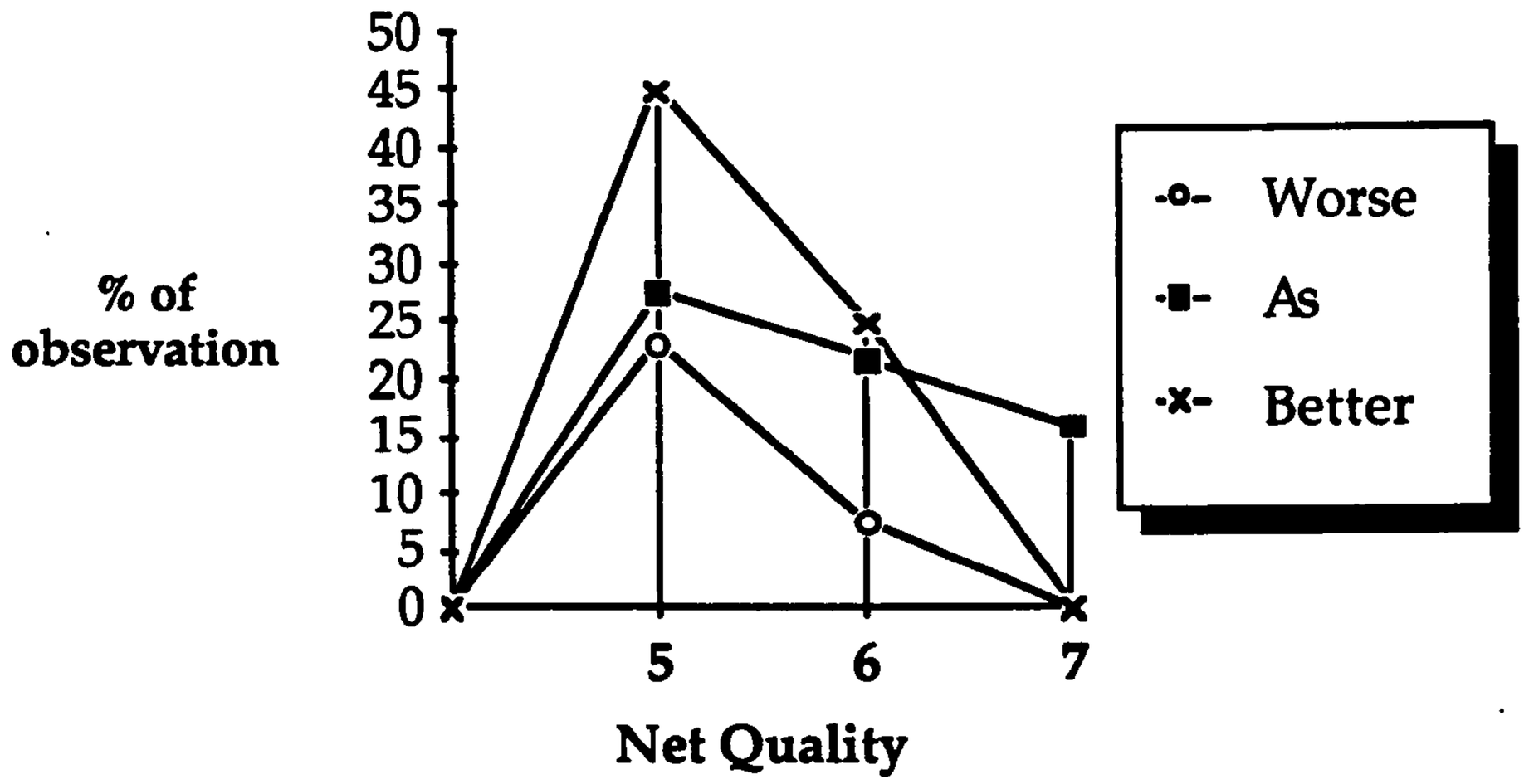
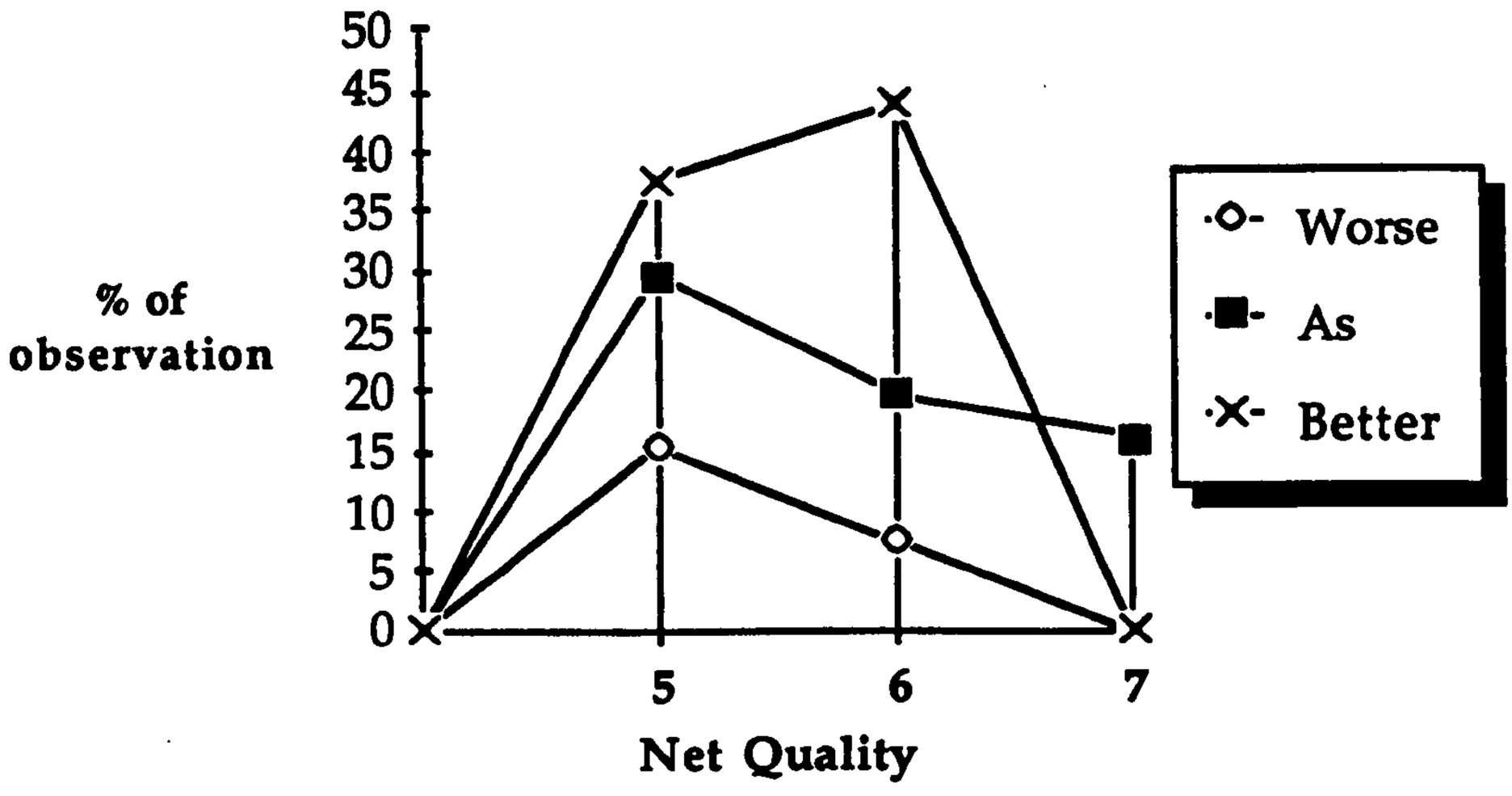


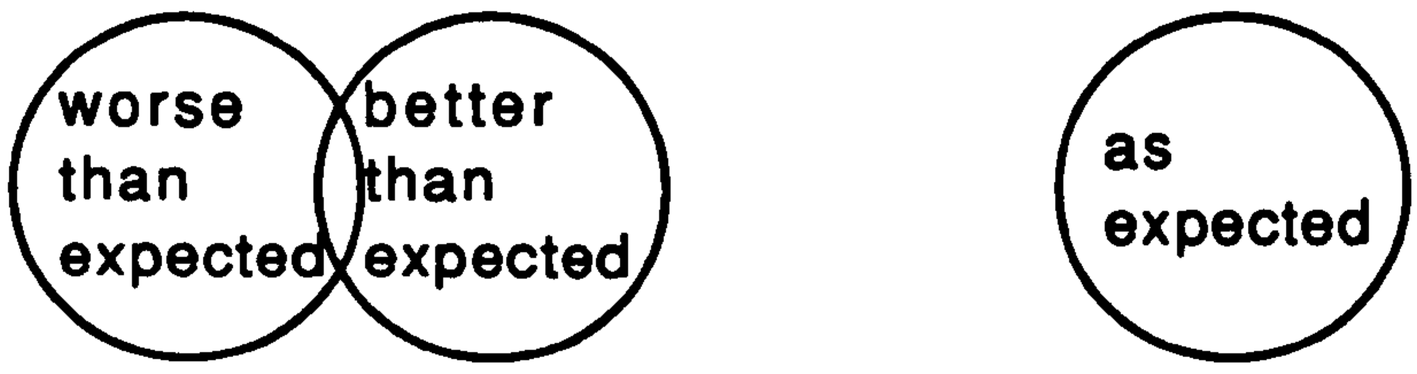
Figure 5.20 Attribute P11 ***(Was the standard of leisure facilities as you expected)*** **- Consumer Groups by Responses to Net Quality**



The observations for the technical attributes with net quality equals excellent were very low. Only the attribute *'Comfortable seating'*, had ratings in the net quality = 7 category, where the *'better'* group contained the highest observations. Consequently this attribute is discriminant determinants of net quality. Therefore, a *'better than expected'* experience with this attribute is directly related to a positive perception of net service quality.

Brandt suggested possible scenarios where the *'as expected'* group acted as a balance being either similar to the *'worse'* or *'better'* groups. Or indeed, that all three groups differed from each other (see earlier part of this Section).

iii) Finally, analysis of the data revealed that a fourth scenario exists which had not been discussed by Brandt (1988) who advocated this approach. The approach is inconsistent when the data indicates that the *'worse'* and *'better'* consumer groups are similar and the *'as'* group gives significantly lower ratings than the other two groups. Brandt gives no explanation for, nor indeed mentions such a possible occurrence. In addition to this inconsistency, the Brandt approach does not adequately explain which attributes determine and influence the consumers perception of net quality.



This can only indicate those attributes that have no relationship with attribute satisfaction and net quality. That is, the attribute is not a determining factor for net quality. This pattern occurred with the following technical attributes, where there is no constraint relationship between ratings of the attribute and ratings of net service quality.

Figure 5.21 Attribute P1 ***(Was the seating as comfortable as you expected)*** **- Consumer Groups by Responses to Net Quality**

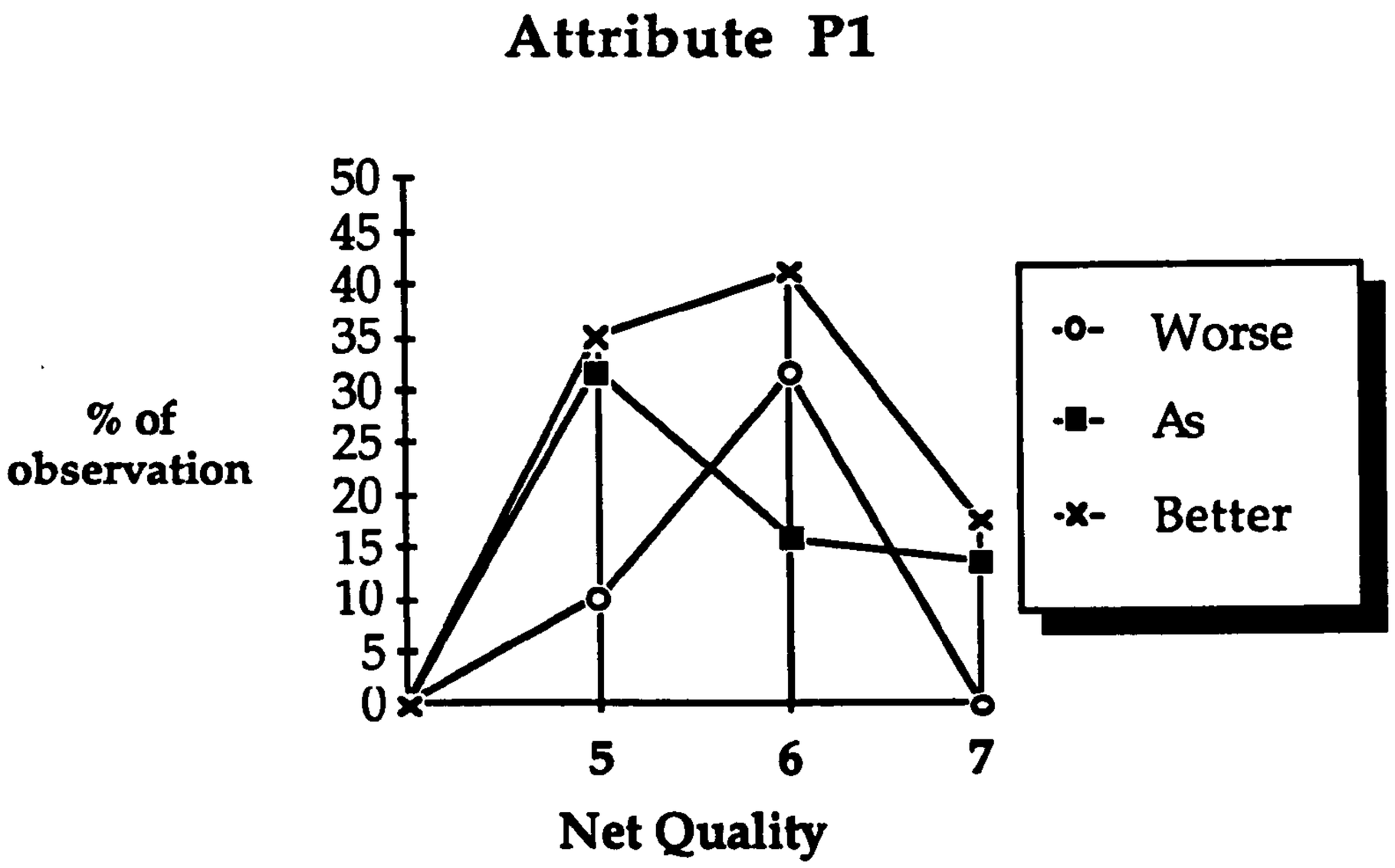


Figure 5.22 Attribute P4 ***(Were there enough syndicate rooms)*** **- Consumer Groups by Responses to Net Quality**

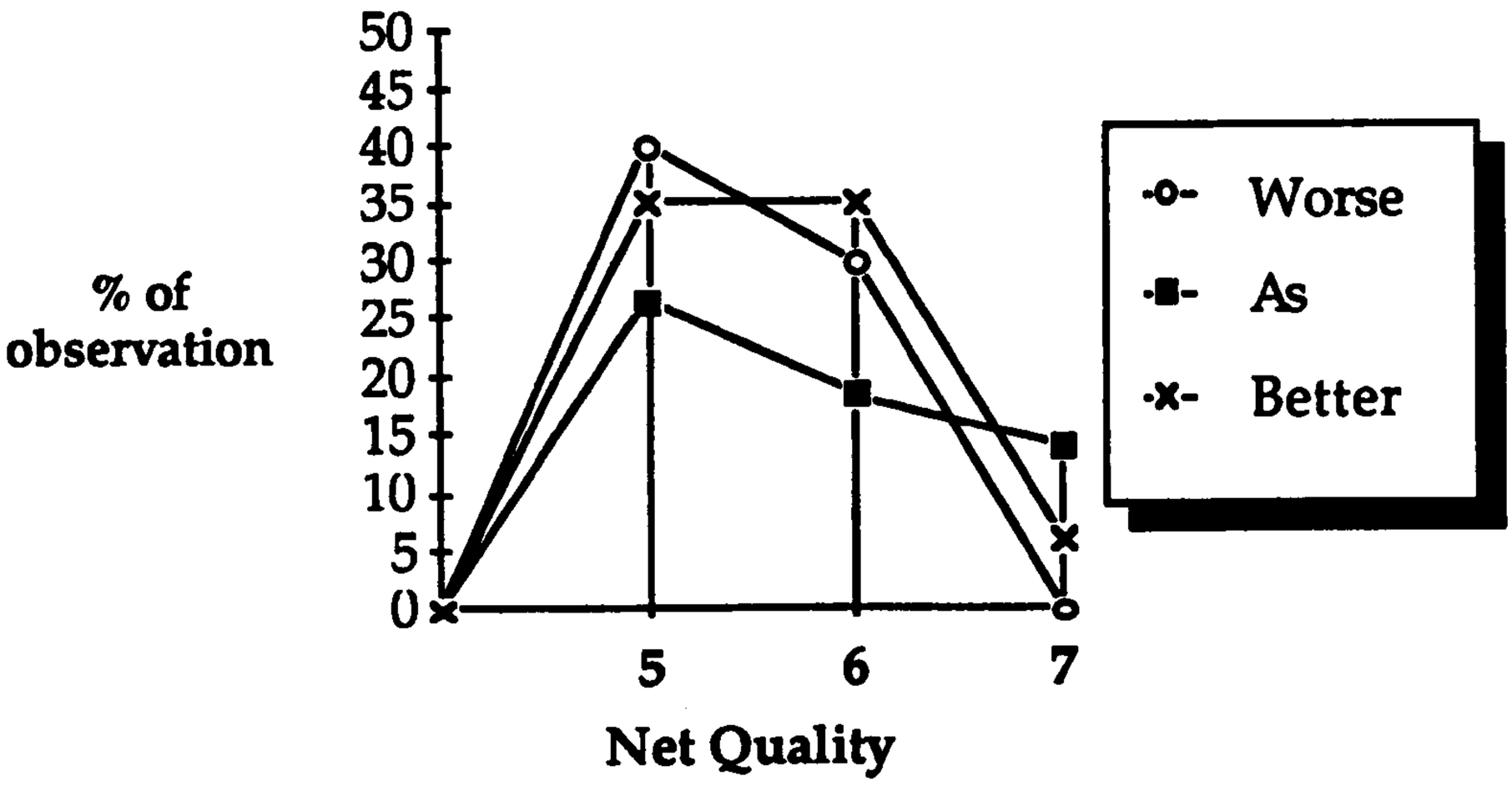


Figure 5.23 Attribute P5 ***(Was there a bath, telephone, tea/coffee facilities in bedrooms)*** **- Consumer Groups by Responses to Net Quality**

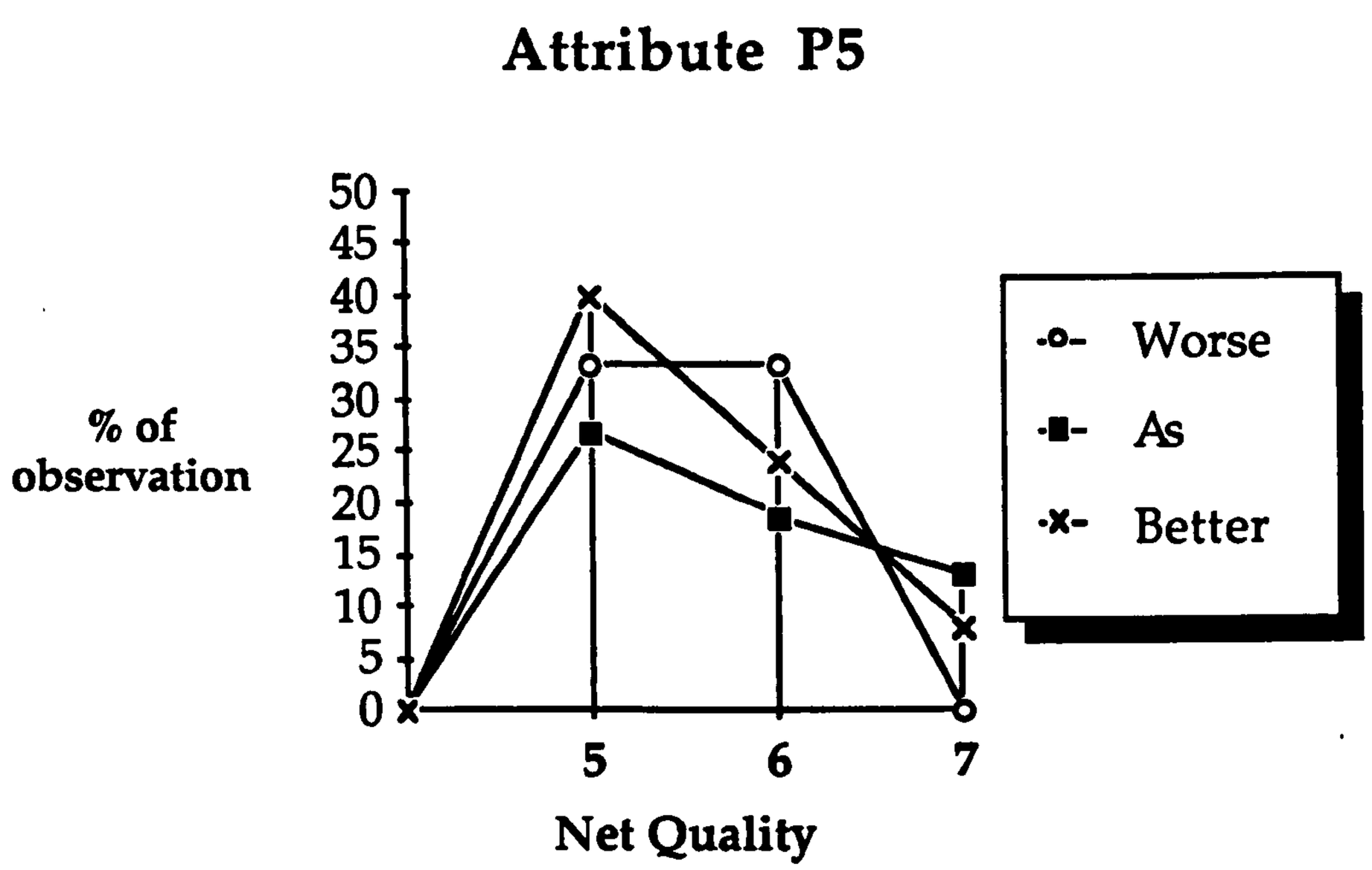


Figure 5.24 Attribute P8 ***(Was there a reasonable quality of food)*** **- Consumer Groups by Responses to Net Quality**

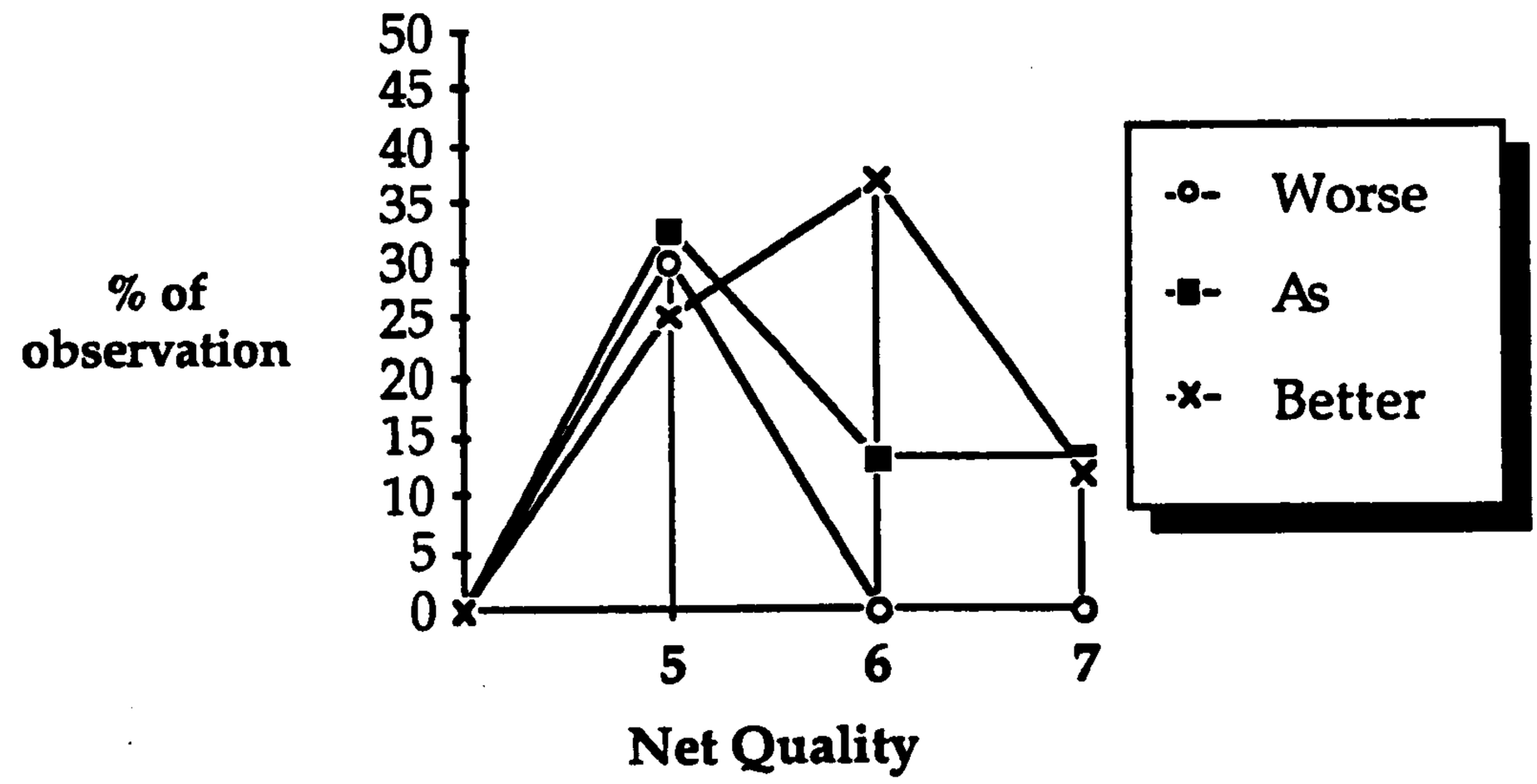
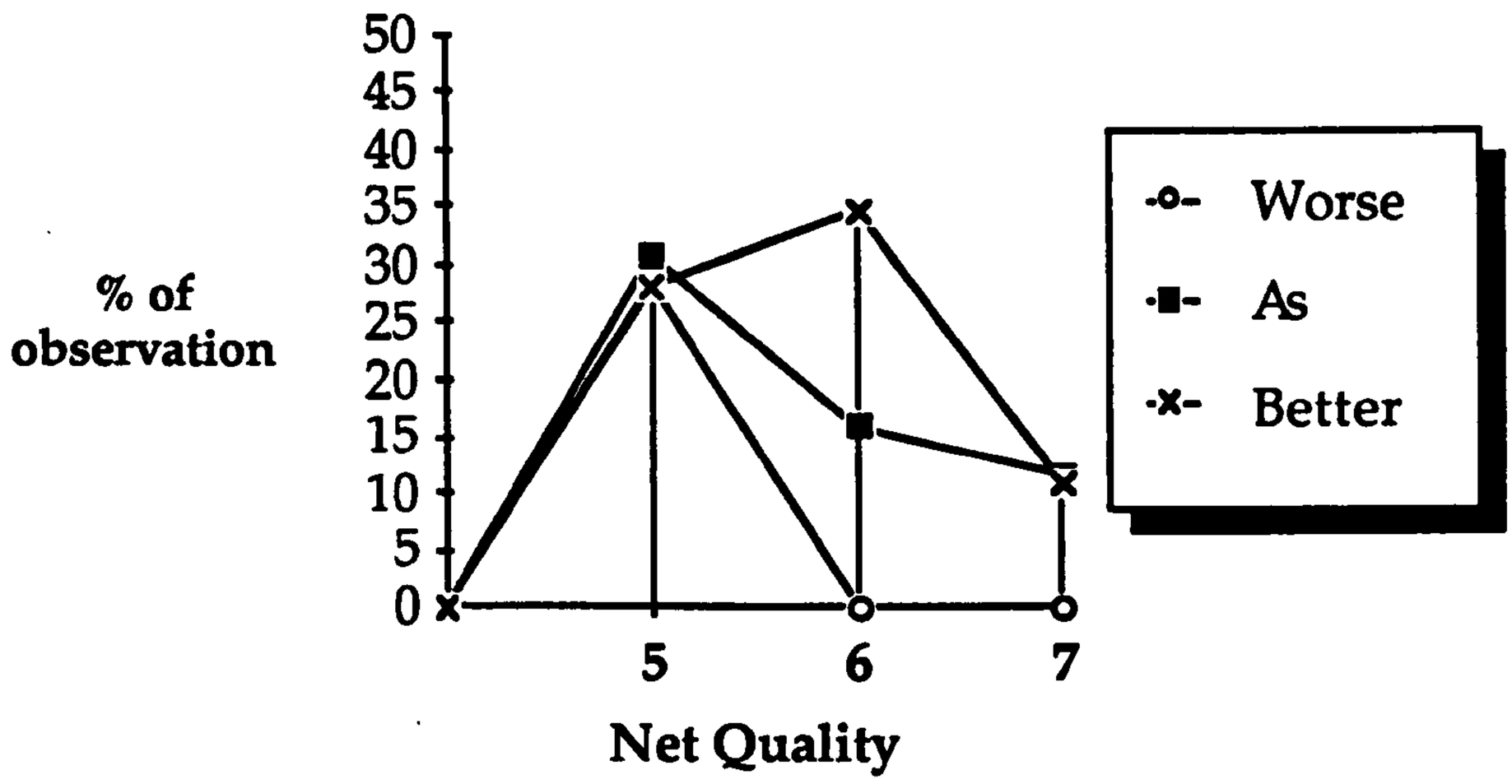


Figure 5.25 Attribute P9 *(Was there sufficient quantity of food)* - Consumer Groups by Responses to Net Quality



5.4 Conclusions

Assessment of the relative contribution of each attribute in determining judgement of the service product, initially took a more qualitative approach. This technique gave some insight into the relationship between the attributes and net quality. However, although the method advocated by Brandt (1988) can be applied to some products, it revealed flaws in its application within the context of this research. Thus, although, the analysis did give a feel for attributes which appear to address minimum requirements, it did not indicate which attributes were determinants of net quality.

The attributes which fulfil minimum expectations were identified as being M1 *(Management was experienced)*, P11 *(Standard of leisure facilities)*, P6 *(Cleanliness of facilities)* and P7 *(Availability of equipment)*. These attributes do not significantly contribute to a better perception of net quality. Therefore additional resources invested in these attributes to influence consumers perception of net quality above this threshold are effectively wasted. In addition, those attributes which are expected to increase the net perceived quality of service were identified. M3 *(Carrying out arrangements as requested)*, M5 *(Dependability)*, M7 *(Sympathetic management)*, M9

(Immediate reaction to requests), P2 *(Ashtrays, cupts etc., cleared away throughout the day)*, P3 *(Pleasant standard of decor)* and P10 *(Final bill as expected)*, a better perception of these attributes results in a better perception of net quality. Managment needs to allocate resources to these attributes to positively influence net quality. Some attributes had a combination of these two types in that the attribute is for net quality scores of 5 and 6, but for net quality = 7 the attribute becomes a positive determinant of net quality. They are a participant and not a key determinant of net quality. Therefore, up to moderately high levels of resources should be invested to improve net quality perceptions, however as perceptions approach 'excellent', resources can be re-allocated once the minimum expectations level is reached.

However, the method of analysis proved to be inadequate for a number of reasons. Firstly it did not use actual scores given by respondents to each attribute (range from 1 to 5) to be taken into consideration. Further the analysis did not allow for an in depth examination of statistical relationships between the attributes and net quality.

Thus a new method of analysis had to be employed to look at the causal relationships between the attributes and net service quality. The next chapter will focus on net quality as the principal measurement and assess which attributes influence it.

Footnotes to Chapter 5

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1 See Chapter 1, Section 1.2 on definitions of service.

2 This work was published in 1988 after the data collection process for this research was completed.

CHAPTER 6

Assessing the Effects of the Evaluative Attributes on Net Quality

6.1 Introduction

The previous chapter focussed on the 23 attributes independently and how the perception of net quality related to the attributes. The perceived quality will depend on the consumers pre-formed expectations which are a result of advertising, culture, price, the consumer's previous experience and the communicated experience with others.

Inconsistencies with expectations and performance will influence the net quality perception. Not only is identification of possible relationships important as was achieved in the previous chapter, but the process needs to go a step further. The actual impact of each attribute on net quality needs to be established.

This chapter it is the final part of the model which assesses service quality, and uses net quality as a principal measure and assesses which attributes influence *it*.

6.2 Quantitative, Multi-Variate Statistical Analysis

The data were multi-faceted since there were 23 attributes to consider. Hence, an appropriate technique which allowed for a multi-variate statistical analysis had to be found.

Multi-variate statistical techniques have been employed in many studies as methods of analysis and a substantial amount of literature is available on the application of such techniques (Sage Publications, 1977; Norusis, 1986; Parasumaran, 1986; Worcester and Downham, 1986; Bailey, 1987 and Churchill, 1987). All these authors suggested several types of multi-variate methods to be used. The methods advocated appeared to be multiple linear regression or discriminant function analysis.

6.3 Multiple Linear Regression

Multiple linear regression is used most commonly to show how a number of (independent) variables fit together to explain another (dependent) variable. That is, how do the attributes of this service product fit together to explain consumers perception of net quality.

Regression analysis is closely related to correlation analysis used in Chapter 4, Section 4.4, which analyses the relationship between two or more variables (Norusis, 1986). The equation derived from regression analysis assumes that there is a linear relationship between independent and dependent variables as shown in the following equation,

$$y = a + b_1 x_1 + b_2 x_2 + ... + b_k \ y_k$$

where y = dependent variable
a = constant
b, through b_k = regression weights
x, through y_k = independent variables

The value of constant **a** equals the value of **y** when all the independent variables are equal to zero.

In this analysis, stepwise multiple linear regression was used to analyse how ratings of performance on attributes relate to the perceived net quality of service provided. By using the stepwise method, the independent variables (attributes) are entered into the regression equation one at a time. The first step took an independent variable with the largest correlation coefficient to the dependent variable (net quality). The second step introduced the next independent variable which had the strongest correlation with the first independent variable controlled, and added this to the equation. The third step looked at those variables which remained and added the variable which strengthened the multiple regression equation the most. The process continues until the point where no further addition of variables will increase the strength of the equation. The strength of the equation is indicated by the multiple **R** value. This represents the correlation between the dependent variable and the weighted sum of the independent variables. The **R** value ranges from -1 to +1. The closer the number is to -1 or +1 the stronger the correlation. When the multiple R coefficient is squared, the value of R_2, it shows the amount of variance which is explained. When R_2, = 1.0 the regression equation explains 100% of the dependent variable.

In the context of this research, the R_2,value calculated was .464 which meant that only 46% of the variance was explained, leaving more than half of the data unexplained.

The method picked out variables M5 *'Could you depend on hotel staff and management'* and M12, *'Did management provide attention to detail'* as the variables which influence net quality. However, with such a low R_2, value, these two attributes only explained 46% of the variation in the data. Hence, something else was causing the remaining 54% of variance. A possible way to increase the R_2, value would be to exclude those attributes which had a low standard deviation because they were not good predictor questions.[1] It was felt at this stage that any exclusion of attributes might bias the results and manipulate the R_2, value unjustifiably.

In addition to the 54% of unexplained variance, it became clear while using multiple linear regression that this form of analysis was inappropriate for this reason. The regression equation predicts consumer perceptions on a dependent variables (net quality) by using a combination of weighted independent variables (attributes). However, what needs to be assessed is what attributes are determinants of either excellent or poor net quality. That is for those consumers who rated net quality = 7 what attribute or combination of attributes influenced this. Thus a different techniques is required. The technique which is most commonly used for this is discriminant analysis. This statistical technique is similar to regression since in each case a weighted linear combination of independent variable. In regression analysis the dependent variable is a continuum. In discriminant analysis the dependent variable is grouped (Churchill, 1986).

6.4 Discriminant Function Analysis

Discriminant analysis is a statistical technique most commonly used to investigate which combination of variables (attributes) best explain groups or cases. The values of the variables discriminate between groups, those who rated net quality as poor versus those consumers who rated net quality as excellent, and predicts into which group a consumer will fall based upon the ratings given to the variables.

Examination of the attributes which a priori were expected to effect the net service quality of the service product involved examination of the relationship between ratings of net quality and the ratings for each attribute. That is;

a) For those consumers who perceive the net quality to be *excellent*, which attribute or combination of attributes are influencing this perception.
b) For those consumers who perceive the net quality to be *poor*, which attribute or combination of attributes are influencing this perception.

In order to proceed to discriminant analysis the sample (returned questionnaires) had to be split into two uneven sized samples. The large sample allows discriminant analysis to produce a discriminant function which could then be tested on the smaller sample. The splitting of the sample posed the issue of bias in the sample in the form of 'time', in the sense that since all the questionnaires were mailed at the same time, was there a difference in responses given in those questionnaires which were returned first as opposed to those questionnaires which came back last? Obviously this needed consideration because if there was a difference, (for example all those who were dissatisfied with their last experience wanted to state so and returned their questionnaires immediately), that would mean that if the sample was split in half to be used for discriminant analysis one such sample would be the data of a highly dissatisfied group and the other a highly satisfied group. This would clearly invalidate any analysis.

50% = half

T_1 xxxxxxxxxxxxxxxxxxo↑oxooooooooooooo T_2

Time →

x = dissatisfied consumers
o = satisfied consumers

The effect of time on the sample needed to be assessed to clarify whether the sample was self-selected by time or whether there was no relationship and the sample was random.

50% = half

T_1 xooxxoxoo↑oxxoxxoo T_2

Time →

x = dissatisfied consumers
o = satisfied consumers

All the questionnaires were given case numbers as they were returned with case no 001 being the first questionnaire reached case no. 002 the second and so on. The cases were tested on patterns of response and significance by using the cross tabulation procedure in SPSSX. There was no relationship between time of questionnaire returned and type of responses given, thus the returned sample was random with regard to time.

A random sub sample could be extracted from the main sample[2] to be used in the discriminant function analysis. With the two subsamples selected the discriminant analysis could now proceed. The larger of the two subsamples is termed the *analysis* sample which generates the function, with the smaller sample is termed the *hold out* sample which is utilised to examine how well the function predicts group membership.

First, the net quality data indicated that the distribution was skewed, with hardly any cases in the group net quality = 1 (poor). In order to collapse the data, the 1 to 7 group had to be arbitrarily divided to compensate for the problems encountered and allow for a better discriminant function to be calculated. The net quality ratings were on an unidentified scale of 1 to 7, with both 1 and 7 specified but the numerals in between were not identified on the questionnaire.

Q. 21 The net quality of service in this hotel was:

Poor 1 2 3 4 5 6 7 Excellent

As a result, the 7 point scale was re-grouped with responses.

1, 2, 3	---->	into Group 1
4	---->	into Group 4
5, 6, 7	---->	into Group 7

This was an arbitrary decision with 4 being the mid-point and remaining as such and those above grouped and those below grouped. For future reference, it would be more useful for the analysis stage if the scale was specified at each point, explaining exactly what the numerals indicated. This would alleviate the problem of assuming that *all* respondents judge the points on the scale as meaning the same.[3]

Discriminant analysis can be used with several *'selection of variables'*

methods. The step-by-step method was chosen as opposed to the direct entry method. With the direct entry method the technique has to take all the given variables (attributes) into account. Instead, the step-by-step method will look at the list of variables, and choses the most promising one.[4] It tests to see if that variable can reduce the unexplained variance sufficiently. If not, the process stops. If sufficient reduction can take place, a new variable joins the list of significant variables. Each significant variable is retested to see if omitting one would reduce unexplained variance even more. So this list is improved. This process continues until all significant variables have entered the analysis. Those variables which do not contribute to the discriminating power are excluded. Hence, this form of analysis includes a reduced set of variables which comprise only those attributes which are really used by consumers to discriminate between their perceptions of overall service quality. In short, the procedure selects the most important discriminating variables and the technique will create a threshold beyond which no more variables will make a particular contribution. This allows for a focus on those variables which are most important in discriminating. After this process, a discriminant function is derived and a matrix produced which displays a comparison of predicted performance to actual classification.

However, any prediction of the success rate would be too high since the data utilised to generate the function is also being used to check its predictive accuracy. The actual predictive accuracy of the function should be tested on a new sample of data. Thus in order to validate the classification process the smaller *'hold out'* sample was used. The parameters set by the first sample are accepted and then used to derive a classification matrix. As a result, the following matrix was produced:

Table 6.1 Discriminant Matrix for net quality

Actual Group	Predicted Group Membership		
Group 1 (poor)	**84.2%**	5.3%	10.5%
Group 4	13.3%	**60.0%**	26.7%
Group 7 (excellent)	1.3%	6.3%	**92.4%**

Percent of 'grouped' cases correctly classified : 83.59%.

This is conceptualised in the format of a territorial map as shown in Appendix VI. The best classification is for group 7 where 92.4% is correctly classified with only 1.3% incorrectly classified. In total for all groups 83.6% (3 sig. fig)

are correctly classified, calculated by

$$\frac{(N_1 \times 84.2\%) + (N_2 \times 60.0\%) + (N_3 \times 92.4\%)}{N_1 + N_2 + N_3}$$

N_1 = actual number of subjects in group 1.
N_2 = actual number of subjects in group 2
N_3 = actual number of subjects in group 3.

Is 83.6% a good indicator of the performance of the discriminant function? This can be addressed by looking at how accurately correct classification can be made by chance i.e. without using the discriminant function. The extent to which one can classify cases by chance is a function of the relative sizes of the three actual groups (Parasuraman, 1986).

$$\left(\frac{N_1}{T}\right)^2 + \left(\frac{N_2}{T}\right)^2 + \left(\frac{N_3}{T}\right)^2 = P$$

P = correct random classification cases in analysis of net quality
T = number of total sample used = $N_1 + N_2 + N_3$
N_1 = correct random classification total group 1
N_2 = correct random classification total net quality = 4
N_3 =- correct random classification total net quality = 7

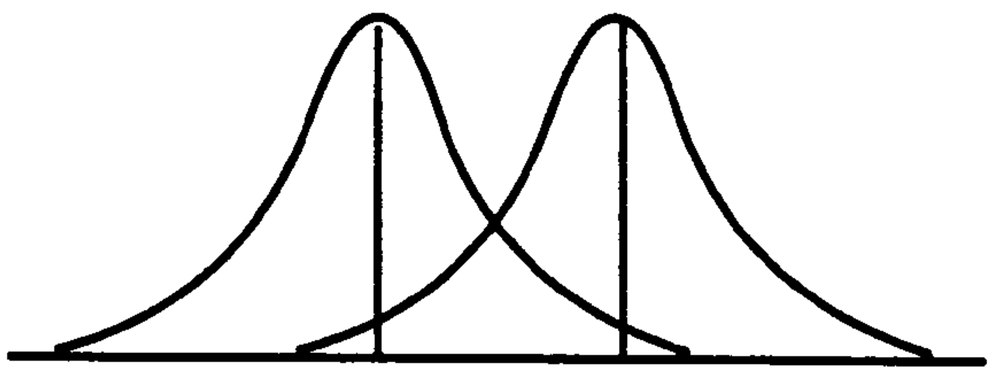
P was found to be 0.361 or 36%. At random then 36% of the cases would be correctly classified. A hit rate of 83.6% for the discriminant function is quite good in comparison with a 36% chance prediction.

The F-ratio shows the significance of each variable. This indicates the variance between the group means, which for M5 is 44.89 times bigger than the variance within the groups. The analysis is trying to pick out a cluster of data. If the clusters are tightly packed then the variance within clusters will be small because their data values are close together. If the clusters are widely separated the variance between the means of clusters becomes very large. If we take the ratio of the variance between the clusters and divide it by the variance within the clusters then a large ratio shows that the data contains tight

clusters which are well separated. From this point, either the clusters of data can get closer together or the clusters can become bigger and more widely dispersed. If either of these occur, the ratio will start to get smaller. At the end of the analysis the clusters are either so close together or the clusters have dispersed themselves so widely that the analysis can no longer detect clusters.

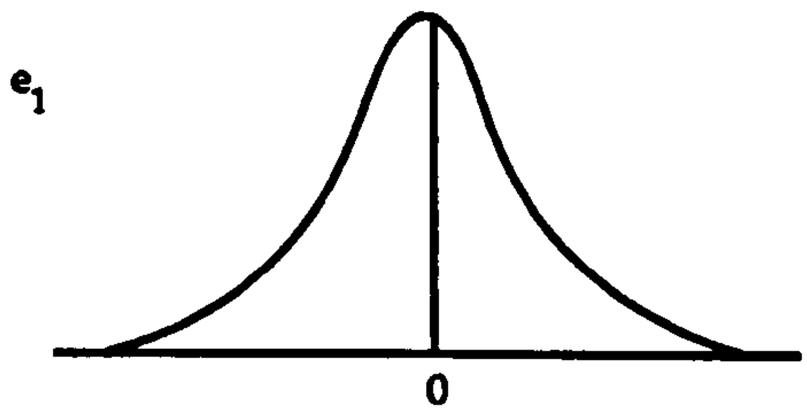
If the consumer groups are random then we know that the mean of the samples will have a normal distribution. That variance is N times smaller than what we have when we treat the data as one sample. The variance of the mean values is taken and multiplied by N and you end up with two estimates of the population variance. For example, take the normal distributions of 2 samples which are fairly similar, the resulting F-ratio will be close to 1 as conceptualised in Figure 6.1 over.

Figure 6.1 Conceptualisation of the F-Ratio for 2 Samples



Distribution of the two samples (assume common variance of σ^2)

let e_2 =the variance between the means of the samples



Transform the data by subtracting sample mean from every reading within that sample.
let e_1 = The combined samples variance

e_1 - estimates common variance σ^2

e_2 - estimates the variance of sample means = $\frac{\sigma^2}{n}$

So we have two estimates of σ^2

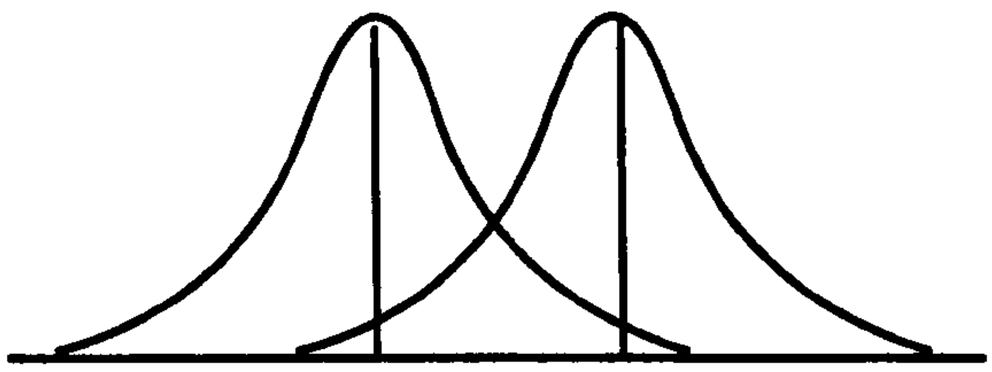
1st estimate = e_1

2nd estimate = ne_2

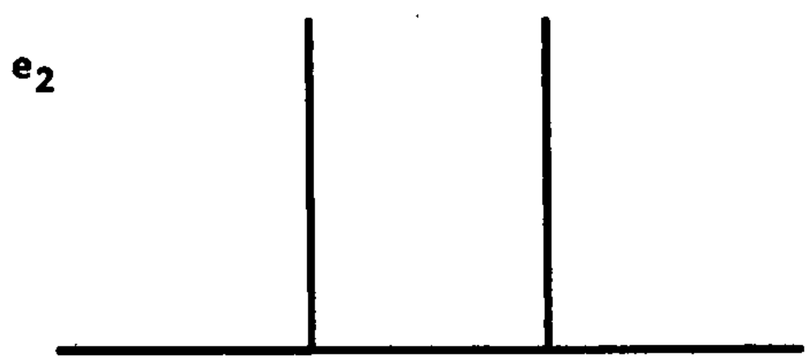
F-ratio = $\frac{ne_2}{e_1}$ $\doteq$1 if two distributions have same means

On the other hand, as depicted in Figure 6.2, for 2 samples with very different mean values the F-ratio will be much greater than 1 since the variance between the means is greater. This is the case with the data obtained in this research.

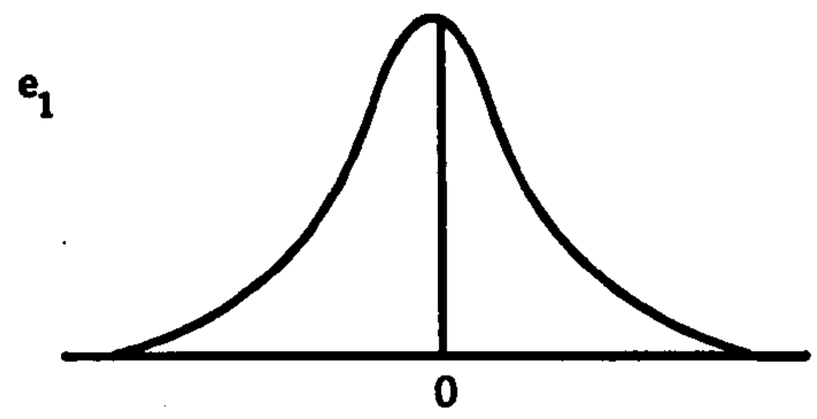
Figure 6.2 Conceptualisation of F-Ratio for 2 Dissimilar Samples



Distribution of the two samples (assume common variance of $\sigma^{2)}$



e_2 = The variance between the means of the samples



Transform the data by subtracting sample mean from every reading within the sample
e_1 = The combined samples variance

e_1 - estimates common variance σ^2

e_2 - estimates the variance of sample mean $\frac{\sigma^2}{N}$

so we have two estimates of σ^2

1st estimate = e_1

2nd estimate = e_2

$e^1 = e_1$

$e^2 = \frac{\sigma^2}{N} X N$

$e^2 >> e^1$

F-ratio = $\frac{Ne^2}{e^1}$ »1 if means differ

The F-ratio's of those attributes identified by the discriminant analysis are also given as a percentage in Table 6.2. The percentage represents the discriminating power which is the amount of variance it accounts for. The higher percentage of the variance a variable has, the more of a contribution the variable is making in explaining the variability. It shows that this is a variable with which consumers are discriminating.

Table 6.2 Significance and Discriminating Power of Attributes

Attribute	F-Ratio	Discriminating Power
M5	44.89	26.75%
P11	23.11	13.7%
M3	18.01	10.3%
M9	14.77	8.34%
P3	13.15	7.83%
P8	11.22	6.68%
P10	9.96	5.93%
P1	8.99	5.35%
P4	8.54	5.08%
M7	7.83	4.66%
M12	7.32	4.36%

Those variables which are selected first, generally speaking, are stronger determinants. The way the method works is that it makes a ratio of the variability between the variables and the variability within the data. The variable with the biggest ratio is selected first.

On the basis of the F-ratio, attribute M5 *(Could you depend on hotel staff and management)* was selected first. This variable was taken out of the list. In the next step the method looked at which attribute would combine with M5 to make the most powerful 'pair' of variables. This was chosen to be attribute P11 *(Was the standard of leisure as you expected)*. During the next step M3 was selected as combining with M5 and P11 as reducing the unexplained variance most.[5] M5 is, in a sense, a founder member of a team. It then looks at all the other applicants (the remaining 22 variables) and picks team members on the basis of the F-ratio the most promising candidate. The candidate has to go through various tests before it is allowed to join the team. The first test it asks is *'Does it make a significant reduction in the total variance?'* If it does not then the analysis is stopped because the most promising candidate (in this case P11) was chosen and if the most promising candidate can not pass the test then none of the other candidates will be able to enter. Assuming the candidate does pass the first test, it is allowed provisional entry to the team.

The next test looks at the team with its new member and assesses if there is any established member of the club, who if they left, would also reduce the total variance. In this instance no variables were removed.

The process continues with variables being included in the team to reduce the variance in ever smaller and smaller amounts, until eventually there are no more candidates which lead to a significant improvement in explaining the variance. Table 6.3 shows the sequence of attributes selected in consecutive order. In total there were 11 steps with 11 attributes as the final selection. They are given in descending order discriminating power.

Table 6.3 Sequence of 11 Attributes Selected

M5	=	Dependable staff and management.
P11	=	Standard leisure facilities.
M3	=	Staff carrying out arrangement as requested.
M9	=	Staff react immediately to requests.
P3	=	Pleasant standard of decor.
P8	=	Reasonable quality of food.
P10	=	Final bill as expected.
P1	=	Comfortable seating.
P4	=	Enough syndicate rooms.
M7	=	Sympathetic management.
M12	=	Staff provide attention to details.

Note that this final list is not necessarily related to the importance of attributes. The intrinsic importance of an attribute as discussed in Chapter 3, Section 3.4 and shown in Table 3.1, is not pertinent in discriminant analysis. Instead, what is relevant is the level of significant *differentiation* among consumers in their perception of net quality on the attributes.

Clearly, the conference hotel product consists of a multi-dimensional combination of attributes in varying degrees. The list of determining attributes calculated shows that 6 attributes are part of the technical components with 5 attributes from the functional component. However, what needs to be considered are the actual degrees of each attribute and how they contribute to each component rather than the quality of attributes.

6.5 Conclusions

Two types of multi-variate statistical techniques were used to assess how the attributes of service product fit together to explain consumer perception of net quality of that product. The regression analysis could not explain a large part of the variance in the data and was therefore dismissed in favour of discriminant analysis. It did, however, extract variable M5 *(Could you depend on hotel staff and management)* and M12 *(Did management provide attention to detail)* as variables which influence net quality. This is in concordance with the variables extracted through the discriminant analysis method. M5 was indeed shown to have the most discriminating power. M12 was also extracted, but shown to be less important in influencing consumer perceptions of net service quality. Discriminant function analysis proved to be the best available method to show what the relationships within the data were. As a result, a list containing 11 variables were extracted as the most important discriminating variables and their relative contribution in determining consumer perception of net quality.

In this chapter, statistical analysis was used as an independent judge to assess if a pattern existed within the data. However, the results need to be related to reality since all that the statistical judge states is that the pattern exists and if the relationships it tested were significant.

The results need to be combined with qualitative information to assess whether these 11 determinant attributes are realistically expected to effect net service quality. The 11 attributes combined are the most powerful group which determine net quality. However, if one attribute is removed, the group may lose its cohesiveness in explaining net quality. Thus, in order to obtain a possible way of measure the net quality of other service products the 11 specific product attributes need to be reviewed both in the context of this and possible future research.

Footnotes to Chapter 6

1 If there is a low standard deviation it means that the consumers were in agreement about the performance of the attribute.

2 Sampling is an SPSSX command which can choose a random sample.

3 The use of an itemised rating scale, as was used for the attribute responses.

4 The minresid method in SPSSX was used. This method tries to limit the sum of unexplained variation between groups.

5 Variance is a measure of how well we can explain something, the aim is to reduce the total variance.

CHAPTER 7

Conclusions

7.1 Introduction

The main aim of the thesis has been to develop a method for assessing the quality of a service product. To achieve this it was necessary to evolve a systematic approach through a multi-staged study. A study of the conference hotel was used as a vehicle for the development of the approach since it is a product where the activity component is high and where quality is problematic.

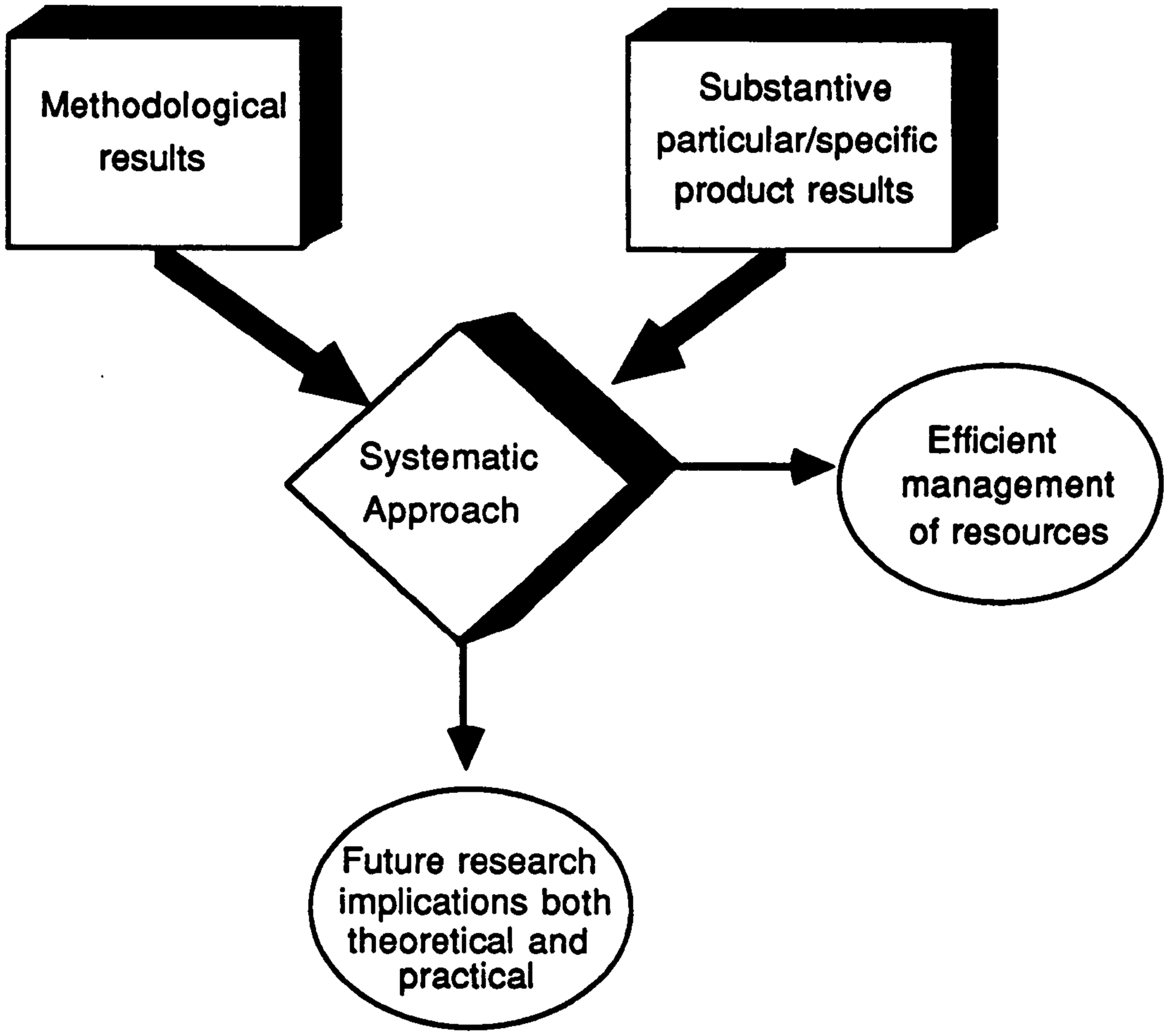
The conclusion of this study falls into three main parts:

1) theoretical implications,
2) substantive implication and,
3) implications for future research.

This chapter brings together the methodological and practical issues of the research, through a model which has been evolved. The model can be considered as an approach to assessing the net quality of service as perceived by consumers. A contribution is made to theory, by offering a model which conceptualises a possible form of measurement of net service quality. At the same time, the debate of what a service product actually consists of is resolved. In addition, as a result of the evolution of this approach and the resolution of the 'service product' debate, the implications for future research are discussed.

The systematic approach of this research links both methodological and substantive issues with the efficient management of resources and possible future theoretical research (see Figure 7.1 over).

Figure 7.1 The Systematic Approach as a Central Force



7.2 Methodological Conclusions

7.2.1 Introduction

This research has brought together two separate lines of enquiry, one concerned with the character of services and one concerned with the nature of quality, explicitly in the exploration of the nature and possible forms of measurement of service quality.

The concept of service has been addressed as a product where the activity component and associated characteristics are high. The concept of quality has been addressed by taking quality to be a judgement made by consumers about a product's overall excellence (Parasuraman, et al., 1984, 1986). This judgement is based on incidents of satisfaction and dissatisfaction during the consumption process. These incidents amalgamate into a final perception or overall judgement. The incidents are evaluated by consumers through a

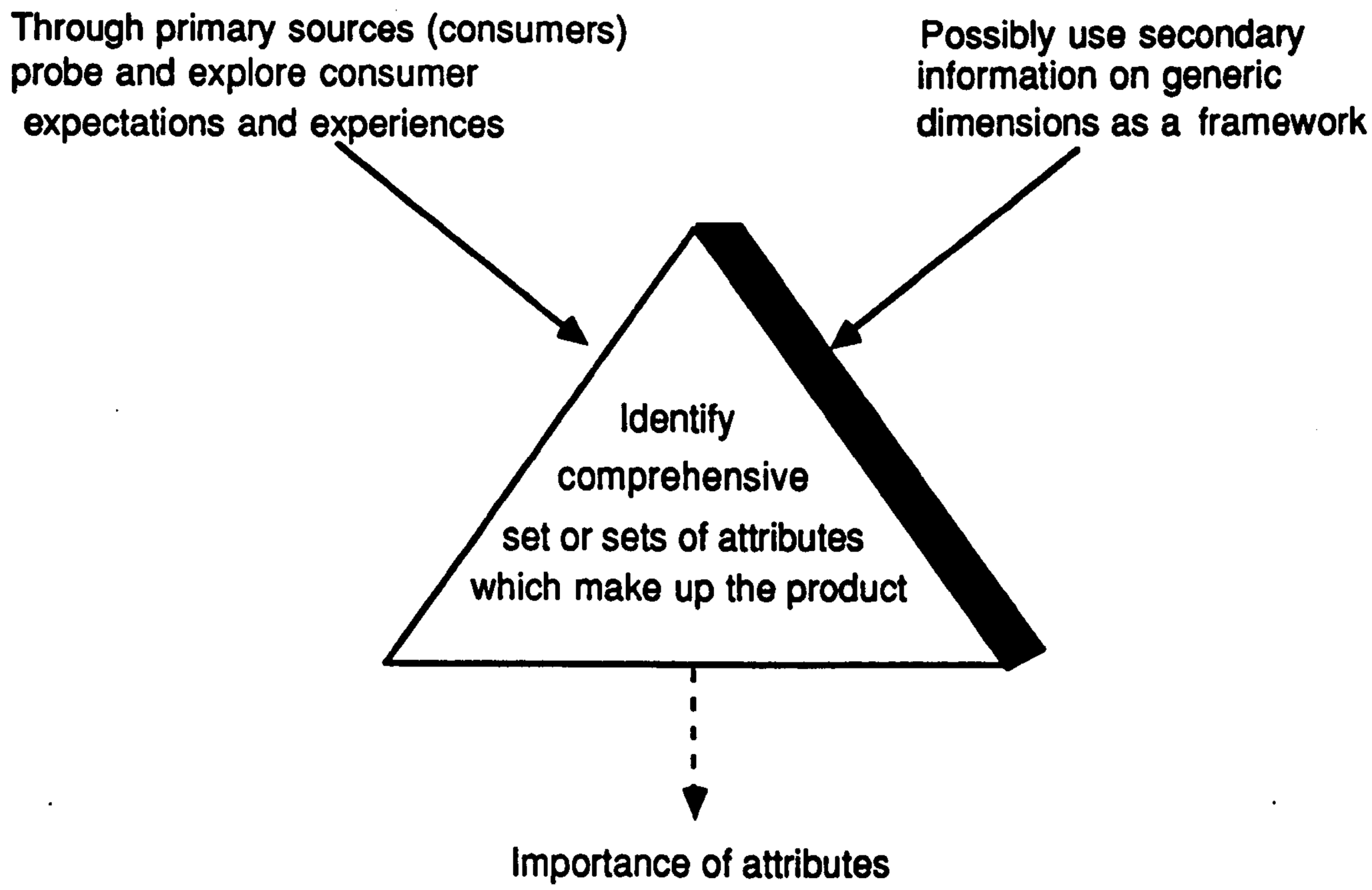
comparison and evaluation of expectations and perceived performance (Churchill and Suprenant, 1971; Czepiel, 1980; Gronroos, 1982; and Lethinen and Lethinen, 1982). Within the existing literature there was not only a debate as to what quality is, but there appeared to be a real gap as to any empirical forms of measurement. Hence, there was not so much a debate to *resolve* , more a need to evolve empirically a way of modelling the assessment of service quality.

7.2.2 Evolvement of a Systematic Approach

The model, which assesses service quality, has evolved through research in the form of a systematic approach. This approach was developed through a process which involved several sequential steps.

The *first* step of the approach is to identify what the product, which is to be assessed on its net quality, consists of. A comprehensive set of attributes of the particular product need to be generated. This is required as a first step since consumers judge the product on a set or sets of attributes. The method advocated for identifying the attributes which consumers use to evaluate a product is to proceed ab initio from primary sources. This will allow for the generation of a comprehensive set or sets of attributes. However, secondary information such as studies outlining general quality dimensions can be used as a framework for identifying specific attributes of a product. They should not be utilised as attributes themselves and thereby as a means of proceeding to the second step of the approach. This would devalue the approach since the generic dimensions may encompass varied properties of the particular product. As a result, this would not allow for a precise identification of specific attributes and this would significantly reduce the value of the approach to assessing net quality.

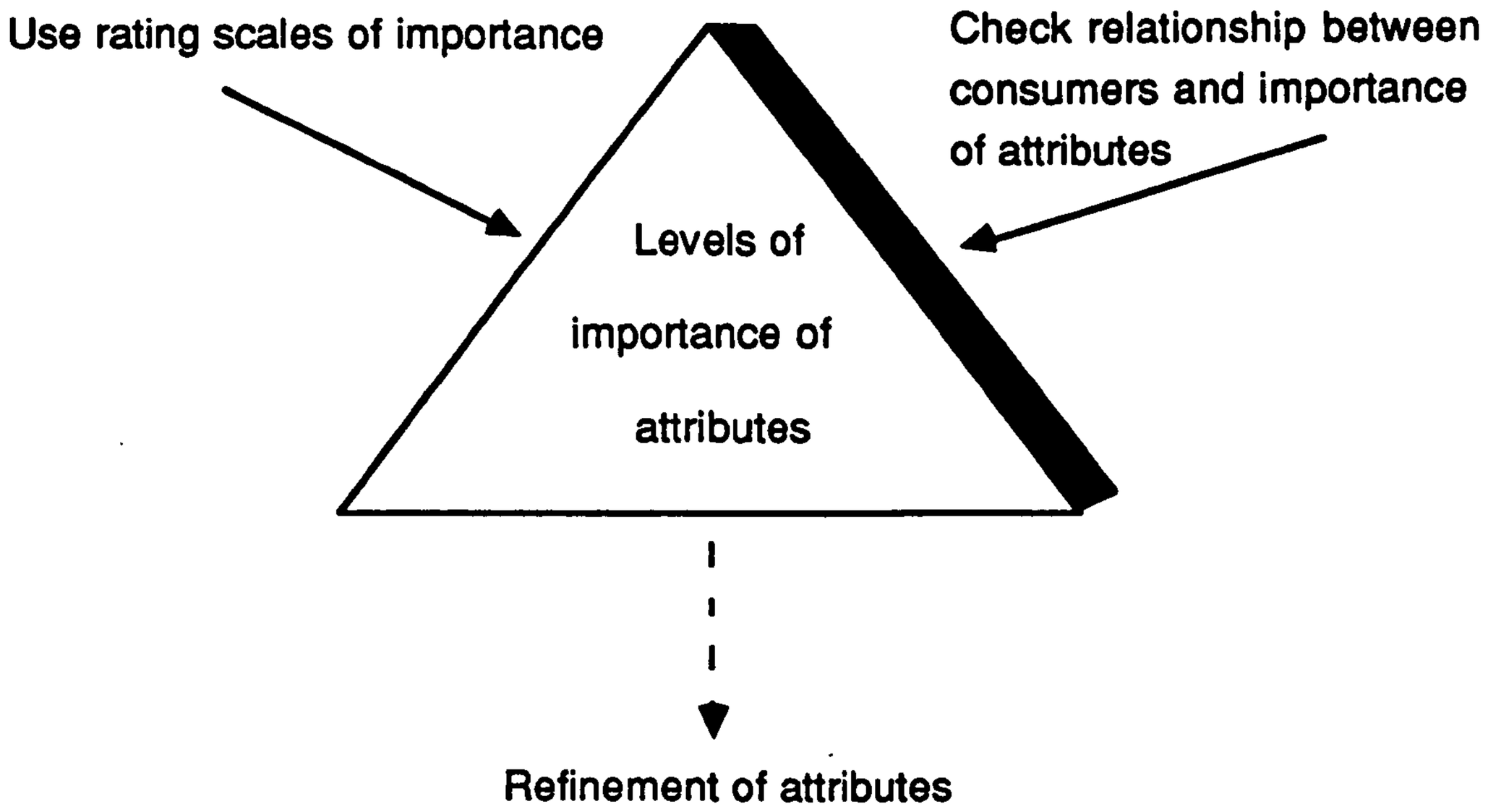
Figure 7.2 Step 1



The first step of the approach is essentially descriptive, identifying a comprehensive set or sets of attributes of which the product consists. This comprehensive set of attributes should not yet be reduced or re-grouped since valuable information might be lost.

Secondly, once the attributes which make up the product have been identified, the initial group of attributes needs to be refined into those attributes which are the evaluative attributes (most important attributes in determining consumer expectations) of the product. This step utilises all the attributes identified in Step 1. This step can be more quantitative by assessing the importance of the different attributes through rating scales.

Figure 7.3 Step 2



The information obtained in Step 2 allows the researcher to consider the limitations of the attributes. The limitations need to be considered if the sample of respondents is an approximation of all consumers of the product and not a whole population in itself. This can be achieved by assessing the relationship between the consumers and their responses on levels of importance the attributes. That is, do *types* of consumers affect how the attributes are viewed? This test would highlight any pattern of response which could be interpreted by management to aid their decision process. For example, if certain consumers rate attribute A as unimportant, it could influence the product providers decision on such matters as resource allocation or marketing strategies or both.

Once the nature and importance of each attribute of the particular product has been identified, the most important attributes need to be factored out of the initial group. This will produce a refined list of attributes, since previously inter-related attributes are collapsed into new attributes which represent those most important as identified by consumers. In addition, the qualitative information obtained in Step 1 of the approach can be used as an aid if required.

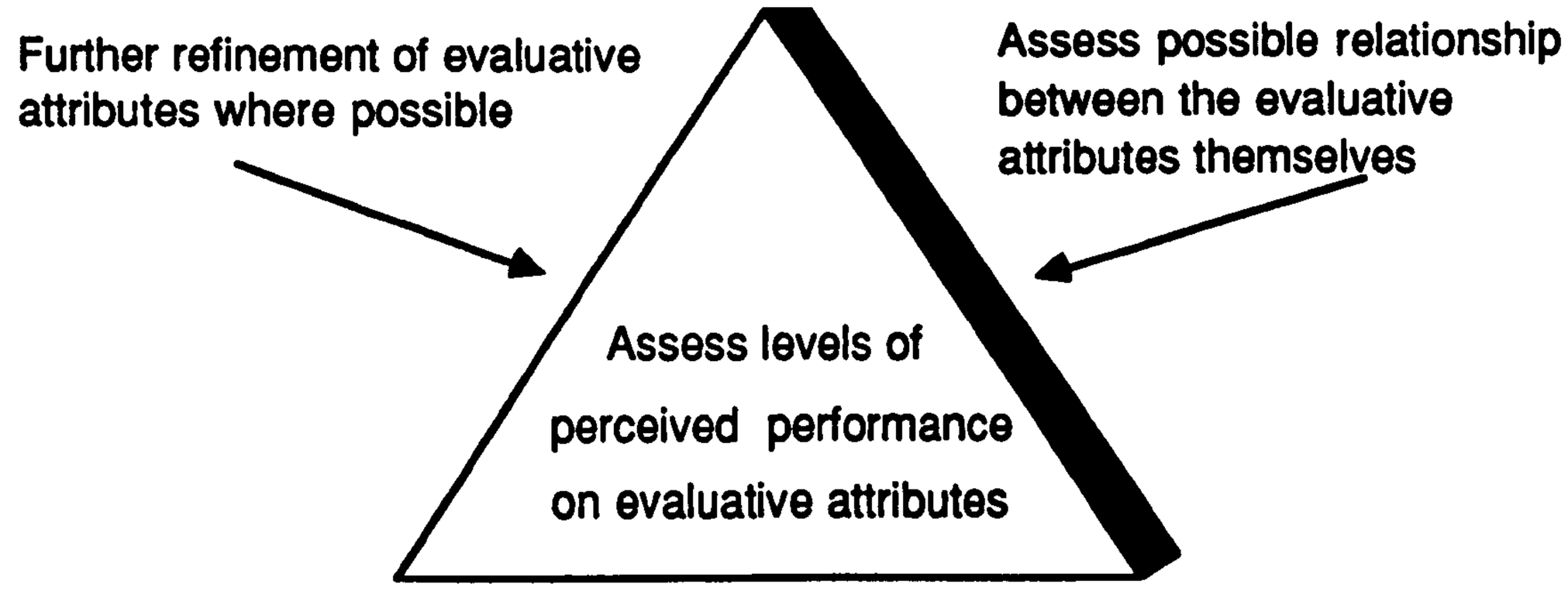
Thirdly, levels of perceived performance need to be measured. This third step progresses the approach from merely addressing the issue of what a particular product consists of and starts to address the issue of assessing service quality. This stage shifts the focus from actual production and output of attributes to an

evaluation of performance. This can be achieved through a form of discrete measurement on subjective judgements, such as a rating scale of performance, which indicates the extent to which consumers expectation are met or not met by the service provided. The higher the rating the more the particular attribute is evaluated by the consumers as meeting or exceeding expectations.

Once the ratings of perceived performance of the individual attributes have been obtained, possible data refinement needs to be explored a second time. Again, this means that the suitability of each attribute as a possible determinant of net quality is established. If attributes are similar and had not been previously identified as such, they can be collapsed into a single attribute where possible.

At this stage with a reduced set of evaluative attributes, the relationship between the attributes themselves can be investigated. This will highlight for example dependencies between attributes such as responses to attribute A are reflected in responses to attribute B. This will allow product providers to obtain a clearer understanding of what they provide and this too could influence such matters as resource allocation or marketing strategies or both. In addition, this will point out those parts of the service delivery system which are critical to consumer perception of the service and service quality.

Figure 7.4 Step 3

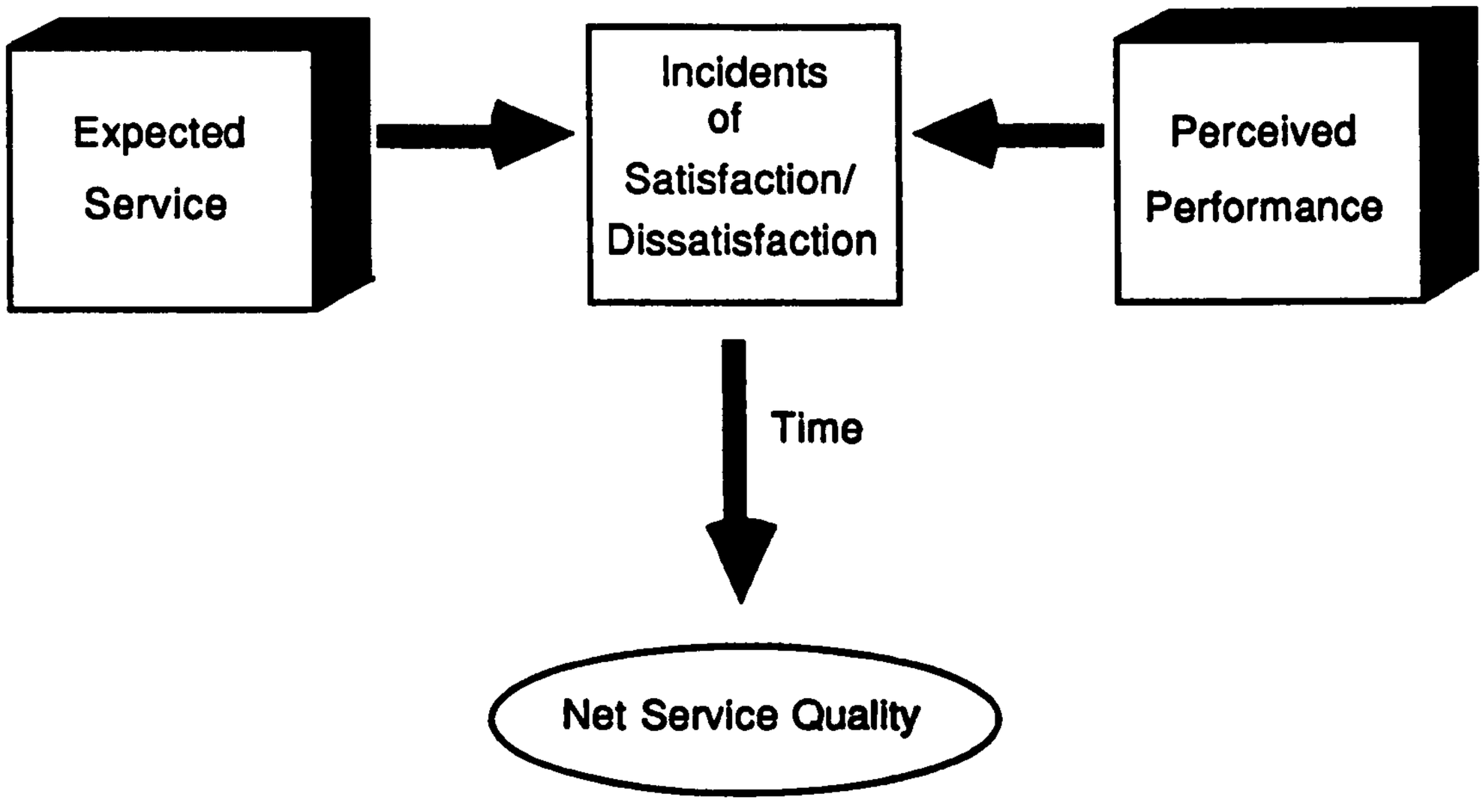


Fourthly, a crucial step is the measurement of the overall performance of the product which is assessed. The overall performance is judged by consumers against their expectations. The term given to the overall judgement is net

quality, because the judgement arises from the *net* effect of the different attributes which make up the 'whole' product.

Each evaluative attribute identified in the approach relates to a specific transaction/interaction while consumers are in the service delivery process. For each attribute, the consumer will either confirm or disconfirm his/her expectations. Thus the consumer will experience satisfaction or dissatisfaction with each attribute. These incidents continue until the consumption/purchasing process is completed. The combined and interactive effect of the attributes result, over time, in a net judgement of the quality of service provided.

Figure 7.5 Expectations, Perceived Performance and Satisfaction related to Net Service Quality



The ratings of the purchase process of the evaluative attributes, in conjunction with a net quality measurement will enable the identification of:

a) Those attributes which fulfil minimum requirements and therefore do not influence a positive perception of net quality. Additional resources invested in these attributes in order to influence consumers perception of net quality above the minimum threshold are effectively wasted.

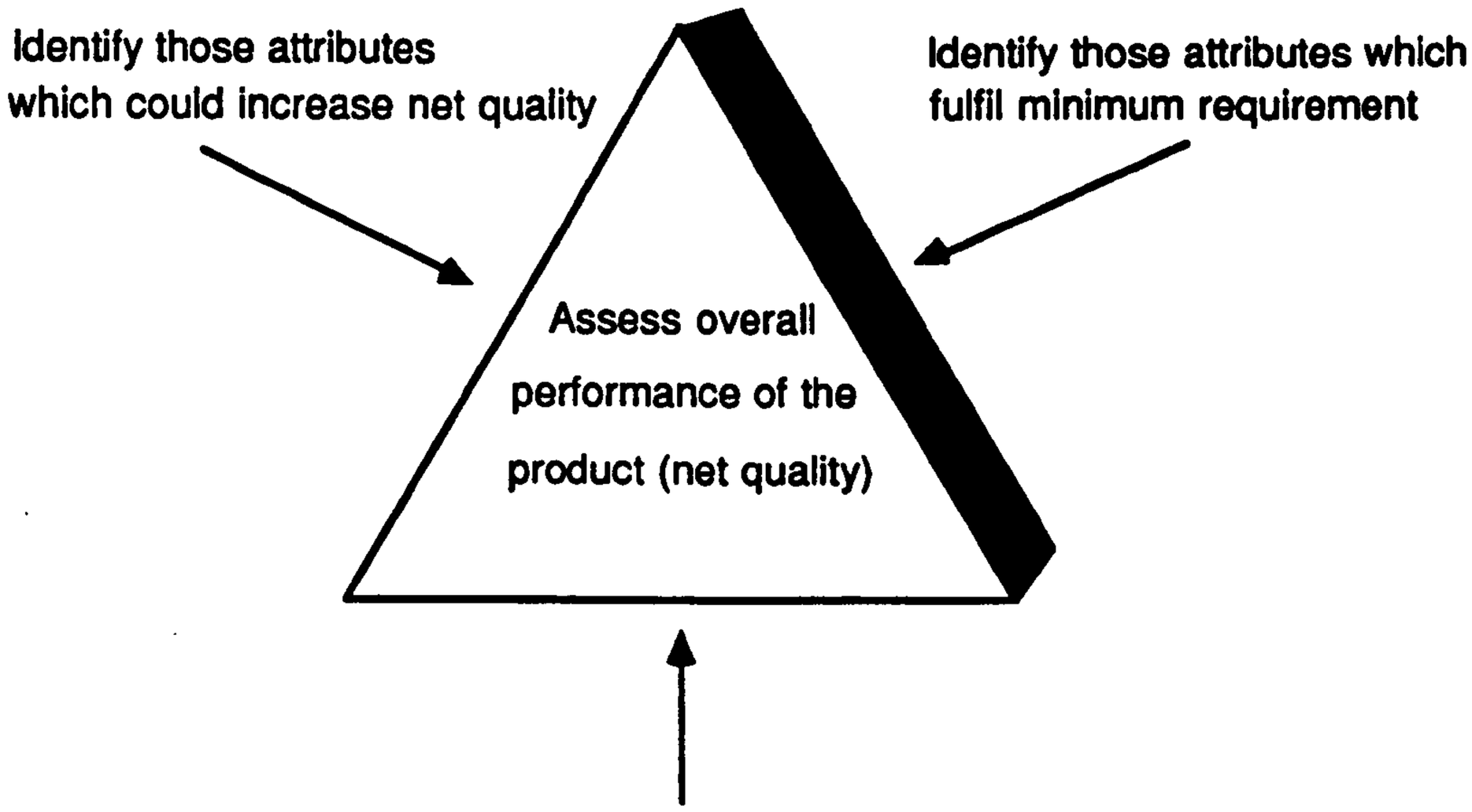
b) Those attributes which could increase the positive perception of net quality. Allocation of resources to these attributes will, positively

influence consumers perception of the net quality of service provided.

In addition, the net quality measurement can be used as a possible measurement of re-purchase of the specific product. However, statistical tests need to be carried out to assess whether there is a significant relationship between overall performance and re-purchase. If they are measuring the same phenomenon, which is only true under competitive conditions, either can be used as a principal index of product performance.

The process needs to proceed a step further. The actual impact of each attribute on net quality needs to be established. This will identify those attributes which are the determinants of net quality. Assessment of the effects of the evaluative attributes on net quality can be used as a method to achieve this.

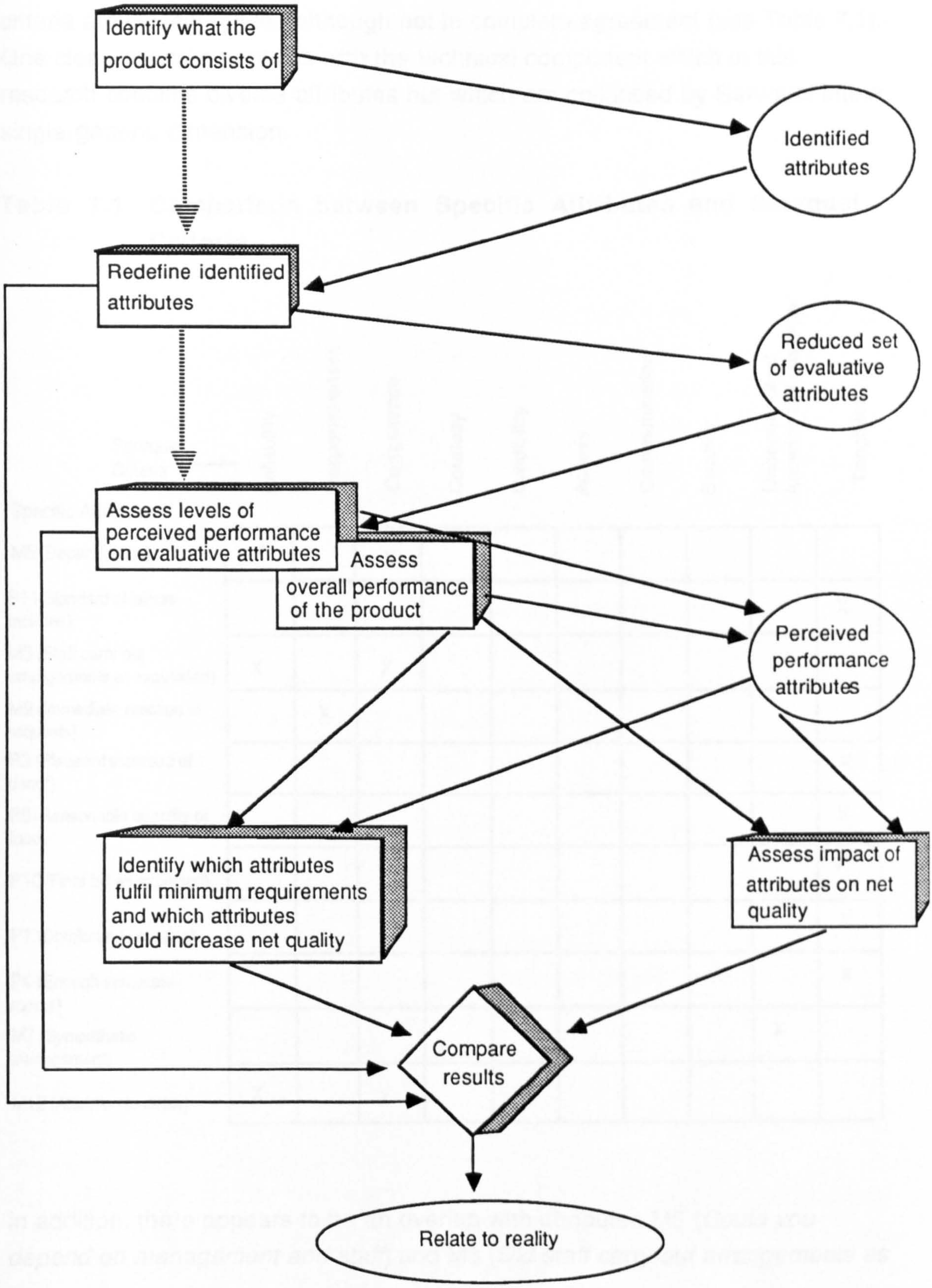
Figure 7.6 Step 4



Finally, to complete the approach and allow for both a contribution to theory and enable a better management of resources of the specific product, several more steps need to be taken. The information obtained at stage five needs to be related to other work addressed in the existing literature and to information already obtained throughout the research. Most importantly, the final selection of determinant attributes need to be related to reality. This will allow the pattern of results and identified relationships to be translated from statistical

phenomena to managerial implications. When all the steps are linked together, the systematic approach takes shape as shown below in Figure 7.7.

Figure 7.7 The Systematic Approach



7.2.3 The Attributes Related to Other Work

The 11 attributes can be related to the Servqual criteria identified by Parasumaran et al (1986). A comparison between their generic criteria and the 11 situation specific attributes identified in this research indicates that the criteria are closely related although not in complete agreement (see Table 7.1). One clear disagreement lies with the technical component which in this research contains diverse attributes but which are collapsed by Servqual into a single generic dimension.

Table 7.1 Comparison between Specific Attributes and Servqual Criteria

Servqual Criteria → / Specific Attributes	Reliability	Responsiveness	Competence	Courtesy	Credibility	Access	Communication	Security	Understanding/ knowing the customer	Tangibles
M5 (Dependability)	X		X							
P11(Standard of leisure facilities)										X
M3 (Staff carry out arrangements as requested)	X		X							
M9 (Immediate reaction to requests)		X								
P3 (Pleasant standard of decor)										X
P8 (Reasonable quantity of food)										X
P10 (Final bill as expected)										X
P1 (Comfortable seating)										X
P4 (Enough syndicate rooms)										X
M7 (Sympathetic management)									X	
M12 (Attention to detail)	X		X							

In addition, there appears to be an overlap with attributes M5 (*Could you depend on management and staff*) and M3 (*Did staff carry out arrangements as*

requested) which can both be categorised under reliability. However, in this research it was found that these two attributes measured different criteria. Initially the consumers rated the importance of M3 (*Staff carrying out arrangements as requested*) as scoring an average of 3.890 (see Chapter 3 Section 3.4, Table 3.1) and the importance of M5 (*Dependable staff*) as 3.758. One may then have thought that these two attributes were similar attributes and may be essentially measuring the same phenomenon. However, on the perceived performance ratings M3 was rated as an average score of 3.033 with attribute M5 as 3.150 leaving a gap of 8 attributes in between. These two attributes were perceived as dissimilar in this case. Thus they were measuring different attributes and should not be combined under the generic criteria of reliability.

This emphasises the issue that specific or generic product attributes identified in other pieces of research should not be used solely in the development of an approach for assessing service quality. Specific attributes derived in this research are directly applicable to the conference hotel environment and may not be of any relevance to other specific products. Attributes such as M6 (*Did you and your delegates get the attention you expected)* will be taken out of context when applied to, for example, financial services.

Similarly, generic attributes may encompass numerous and varied properties of a product which does not allow for a precise identification of the evaluative criteria used by consumers of a specific product. The generic criteria can, however, be used as a framework for eliciting more detailed and specific attributes of a product.

7.2.4 Attributes Related to Comparative Scores of Expectation and Perceived Performance

The 11 attributes can also be related to the comparative scores from Chapter 3, Section 3.4, Figure 3.1. For example M5 (*Dependable staff and management*) contains 26.7% of the discriminating power calculated through discriminant analysis. It has been established that it is an attribute which strongly influences the perception of net quality. When this is compared with M5 as L15, it can be seen that there is a large mismatch between what consumers expect and what they perceived the performance to be. Therefore, *dependable staff and management* can be thought of as an influential attribute in the final and overall determination of net quality **and** that currently providers of the service are creating dissatisfaction since they do not meet consumer

expectations on this attribute.
In addition, M9 (*Staff reacted immediately to requests*) was selected as an attribute which determines the perception of net quality and has also been identified in chapter 3 as possibly being influential in reducing the positive perception of net service quality. The analysis corresponds between the two methods and it can be said that indeed M5 *(Dependability)* and M9 *(Immediate reaction to request)* are major determinants of net quality. Although M3 (*Staff carrying out arrangements as requested*) is a determinant attribute, it can not be compared with the Figure 3.1 in Chapter 3 because it was limited in the questionnaire. At the time only a few of the 54 attributes were intuitively selected to be included on the questionnaire and regretfully M3 *(Did the staff carry out arrangements as requested)* was excluded. The same is true of M7 *(Sympathetic management)*, M12 *(Attention to detail)*, P4 *(Enough syndicate rooms)*, P10 *(Final bill as expected)* and P11 *(Standard of leisure facilities).*

P1 (*Comfortable seating*) was found to have the same pattern as M5 and M9. It too is a key determinant towards a positive perception of net quality. Only attribute P3 (*Pleasant standard of decor*) is a determinant of perceived net quality AND is an attribute which is currently provided to the expectations of the consumers by the producers.

7.2.5 The 11 Attributes Related to Reality

From the final list of 11 attributes identified in Chapter 6, some had previously been identified in Chapter 5 as attributes which fulfil minimum expectations, and some had been identified as possibly increasing the perceived net quality. In addition, there were a few attributes which combined these two possibilities.

I) Attributes which are expected to increase perceived net quality

These were, M5 (*Dependable staff management*), M3 (*Did the staff carry out arrangements as requested*), M7 (*Were management and staff sympathetic*) and M9 (*Did staff react immediately to requests*), P3 (*Pleasant standard of decor*). P2 *(Were the ashtrays and cups cleared away throughout the day)* and P10 *(Was the final bill as you expected).* It should be noted that apart from P3, all the attributes expected to positively affect the perception of the quality of service provided are functional attributes. These attributes possess some degree of the inherent characteristics of services, and these make it difficult for management to control. However, these attributes should receive

management attention. Due to the nature of these attributes there is no maximum or minimum threshold level of provision which can be objectively identified. So unfortunately input of these attributes cannot be measured objectively in units because it is not provided in unit measures. In fact, the producing of, for example, staff and management who are sympathetic or who are reliable or dependable is produced when a situation requires it. In effect, it is produced upon purchase or consumption. It needs to be viewed as a whole process often termed 'the serviced delivery system'. Not only is there a traditional exchange process as there is in any purchasing situation, but there is also an interface between consumers and service producers, via contact personnel, through an interaction process. This interaction process is difficult for management to control. However, management needs to maximise resource allocation to these attributes with the knowledge that these attributes increase the positive perception of the net quality provided.

The technical attribute which can be expected to increase the quality of service perceived by consumers is the *standard of decor.* Management needs to invest in this attribute (allocate resources) but in contrast to the functional attributes, this can be more readily measured in units and is therefore easier to incorporate into a management strategy. Although the actual resource allocation can be measured in units, e.g. financial, *standard of decor,* still remain a fairly subjective judgement made by individual consumers.

ii) Attributes which fulfil minimum expectations

These attributes were P11 *(Was the standard of leisure facilities as you expected),* P6 *(Were the general facilities as clean as you expected),* P7 *(Was equipment available when required)* and M1 *(Management was experienced).*

The standard of leisure facilities can be thought of as an anomaly within the data. Although discriminant analysis has identified this attribute as contributing 13.7% of discriminatory power it is not realistic to assume that this attribute is a key determinant of a positive perception of net quality. In the regression analysis (see Chapter 6, Section 6.3) this attribute was not selected. In addition, it had been previously identified in the correlation matrix as not having a positive relationship (see Chapter 4, Section 4.3) with any other attribute. Similarly this attribute was near the lower end of both the mean score of importance (see Chapter 3, Section 3.4, Table 3.1) and near the lower end of the mean perceived performance ratings (see Chapter 4, Section 4.3, Table 4.1). The statistical evidence is backed by the qualitative data which

showed that leisure facilities were a minor consideration (see Appendix I). In addition, M1 *(Management was experienced in dealing with conferences),* P6 *(Where general facilities as clean as you expected)*, and P7 *(Was equipment available when required)* were attributes which did not increase the positive perception of net quality. These attributes are not included in the final 11 key determinants because they do not exhibit the characteristics of a contributor to net quality throughout the scale. In reality, for these attributes the managerial implication are that it is not necessary to meet the threshold level of consumer satisfaction. Additional resources invested to influence consumer perceptions of the example, the *experience of management* above this threshold level is effectively wasted.

iii) Combination of attribute type

The two types of attributes discussed above were combined by attribute M2 *(Attention to detail).* These attributes are expected to increase the net quality of service perceived. However, the percentage of observations conveyed and intersected at the net quality=7 (see Chapter 5, Section 5.3, Figure 5.4). This indicates that at a higher net quality rating the attributes' minimum requirements need only be met and not exceeded. Initially, these are attributes which can increase perceived net quality. However, a threshold level is reached when quality is perceived as excellent. At that point the attributes cease to be a positive influence on net quality.

Therefore, moderately high levels of resources should be invested to improve net quality perceptions, however as perceptions approach net quality=7 (excellent) resources can be re-allocated once the minimum expectation level is reached. For example, management are not perceived to *act as professionally as expected* this does not influence net quality for those consumers who thought M2 as *'Worse than expected'.* Any resource invested for this group is effectively wasted.

In addition, attributes P1 *(Was the seating as comfortable as you expected),* P4 *(Were there enough syndicate rooms)* and P8 *(Was there a reasonable quality of food)* were selected through discriminant analysis as determining attributes. However, no direct comparison can be made with the pattern of responses from consumer groups. The patterns (see Chapter 5, Section 5.3, Figure 5.21 and Figure 5.22) indicate that the *'worse'* and *'better'* consumer groups gave similar responses and different from the 'as expected' consumer groups. This was thought indicative of those attributes that were shown to have no

relationship with between attribute satisfaction and net quality. However, P1, P4 and P8 are determinants of net quality and require therefore full resource commitment from management.

7.3 Substantive Conclusions

7.3.1 Introduction

The existing literature on services identifies that most complex consumer products consist of several components which can be considered broadly as encompassing things, activities and information (Berry, 1980; Bell, 1981 and Cowell, 1987). These products can be differentiated in terms of proportion/mixtures of physical commodities and performed activities. The issue can be resolved by testing if this is indeed true; is the product made up of a mixture or degree of attributes with the components? If so, does one component dominate the perception of the product?

7.3.2 What Mixture of Attributes Does the Product Consist Of?

Several authors (Shostack, 1977; Sasser et al., 1978; Nightingale, 1986; and Middleton, 1989;) have used the idea that the nature of what is being purchased/consumed is a combination of attributes. There exists a mixture of these attributes which make up the *'whole'* product.

This concept can be verified within the context of this research, by looking at the final list of 11 attributes which are determinants of a positive perception of net quality. Clearly, the conference hotel product consist of a multi-dimensional combination of attributes in varying degrees, see Figure 7.8. The closer the attribute is to the core the higher the degree of dominance.

The attributes combine into a *'whole'* product, and at the core lies *'human interaction'*, (see Figure 7.9).

Figure 7.8 Attributes which Effect Net Quality

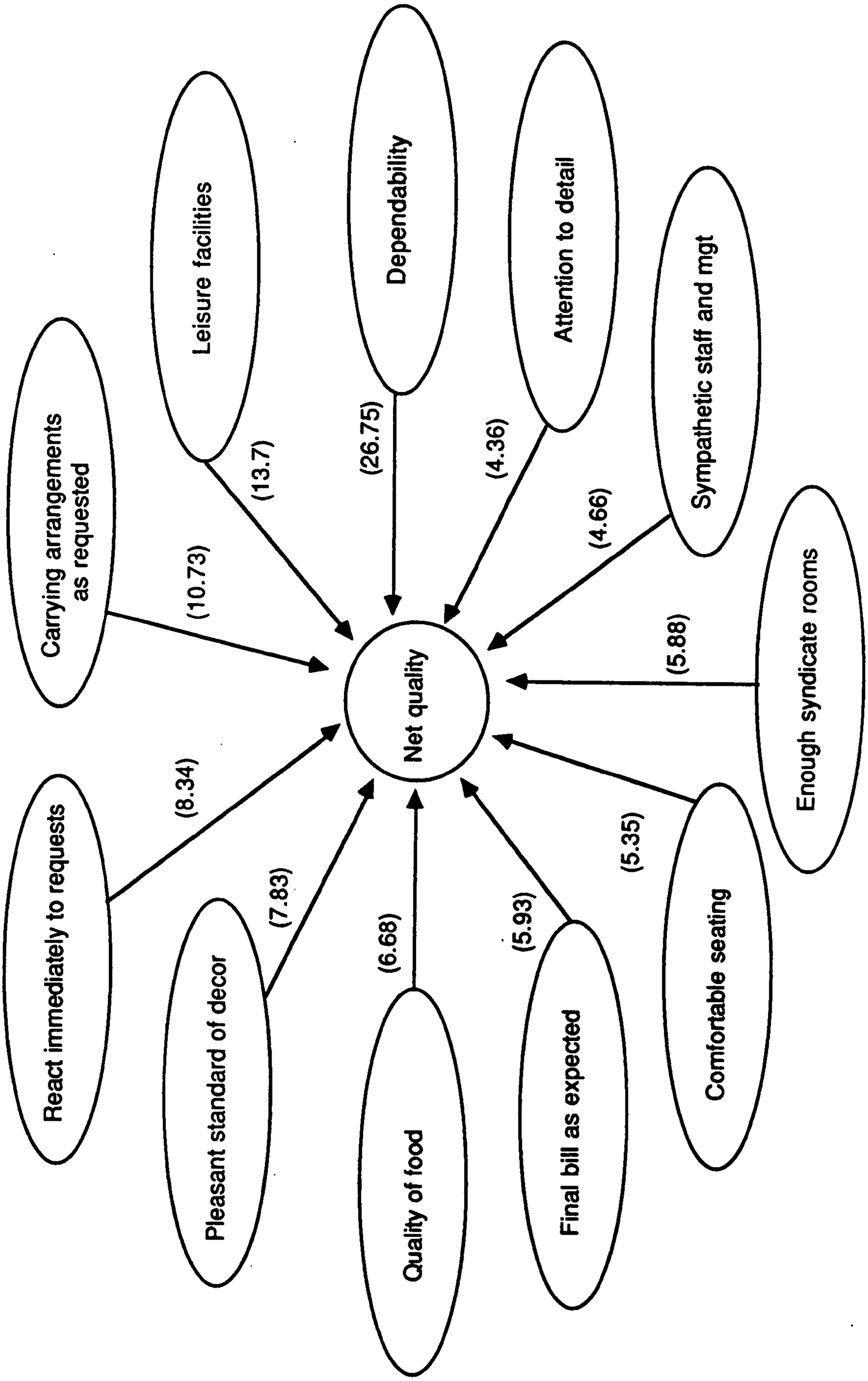
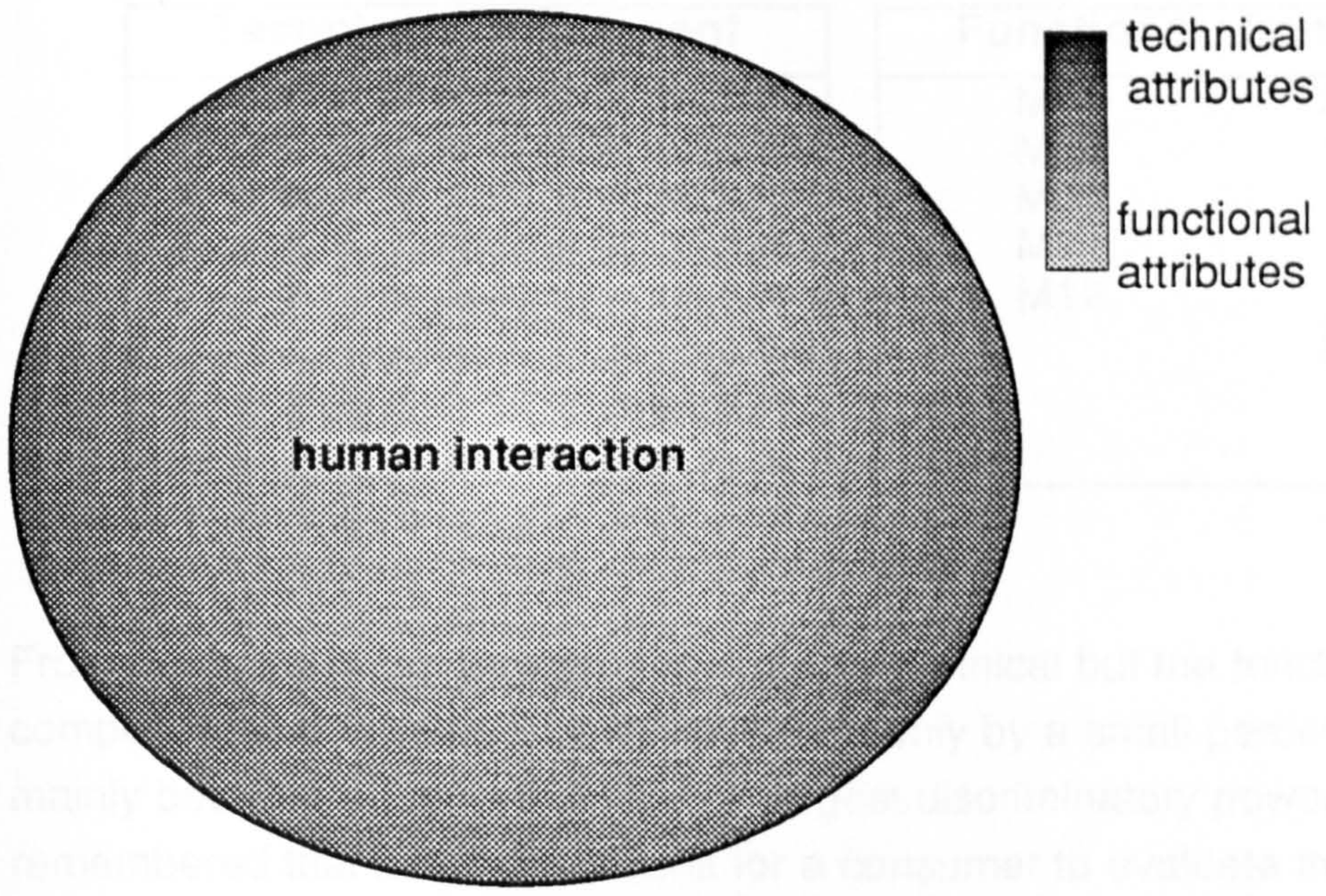


Figure 7.9 Human Interaction as a Core



7.3.3 Does One Component Dominate?

The list of determining attributes calculated for the conference hotel product show 6 attributes that are part of the technical component and 5 attributes from the functional component.

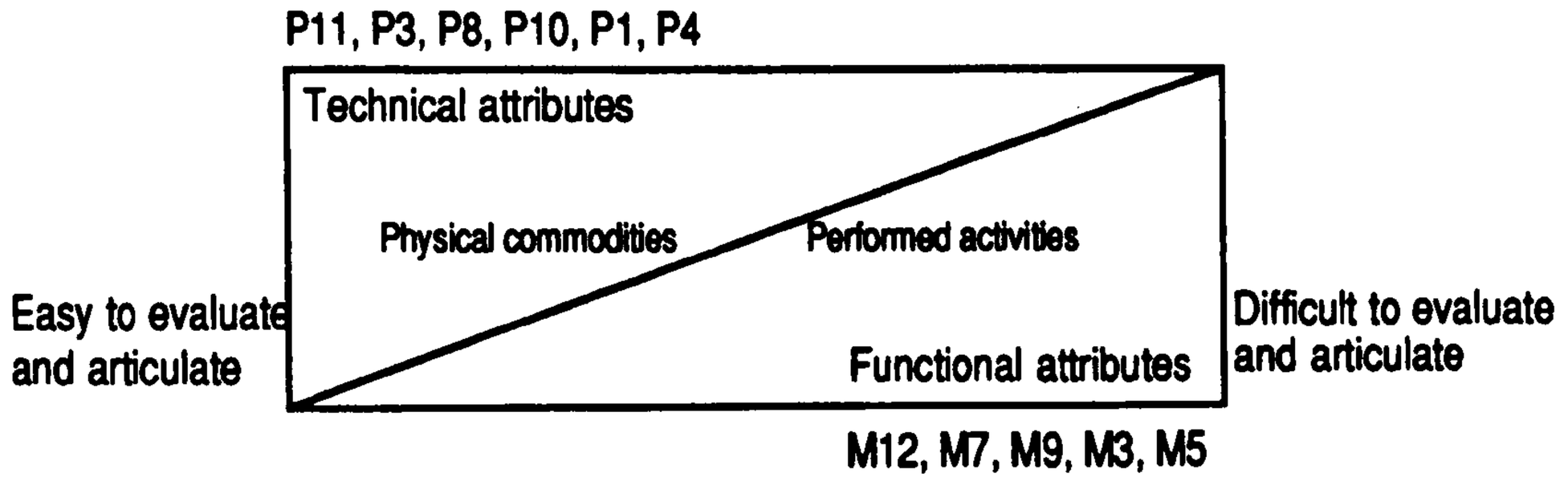
Technical Attributes		Functional Attributes	
P3	(Pleasant standard of decor)	M5	(Dependable staff and management)
P8	(Reasonable quantity of food)	M3	(Staff carrying out arrangement as requested)
P1	(Comfortable seating)	M9	(Staff react immediately to requests)
P4	(Enough syndicate rooms)	M7	(Sympathetic management)
P11	(Standard leisure facilities)	M12	(Staff provide attention to details?)
P10	(Final bill as expected)		

Although there are more actual attributes within the technical component with which consumers use to discriminate net quality, this does not conclude that the technical component is the dominant component. What needs to be considered are the actual proportions/degrees of each attribute and how they contribute in total to each component.

Table 7.2 Component Domination

Technical Component		Functional Component	
P11	13.70%	M5	26.75%
P3	7.83%	M3	10.73%
P8	6.68%	M9	8.34%
P10	5.93%	M7	4.66%
P1	5.35%	M12	4.36%
P4	5.08%		54.84%
	44.57%		

From Table 7.3 it can be seen that not the technical but the functional component is dominant. However, this is only by a small percentage and mainly because attribute M5 has the largest discriminatory power. It must be remembered that it is more difficult for a consumer to evaluate the functional attributes (performed activities) than the technical attributes which have a physical presence (Zeithaml, 1981). This was the case with the consumers in Step 1 where generally they viewed the technical component as a prime concern, and the functional component as secondary. Consumers encountered difficulty in articulating their requirements and expectations of the functional attributes (the actual service), and that may be the reason why the technical component may appear to be dominant within the consumption process. However, consumers may become very eloquent in voicing dissatisfaction with the functional component of a product since that would highlight or emphasise the service element.



Therefore, although the functional component is shown to be only marginally dominant statistically speaking, in reality it maybe far more dominant. This is because it is indeed more difficult for consumers to evaluate the Functional attributes such as dependability.

Therefore the very nature of the 'service' product influences the way in which consumers perceive the performance and evaluate the net quality of that product. If the product contains a high degree of performed activity the evaluation process becomes more difficult for the consumer than if the product contains a high degree of physical commodities.

From the qualitative stage of this research it was felt that the functional component may be far more dominant in influencing consumer perceptions than the technical component. This hypothesis has not been disproved since the functional attributes do display dominance, however, the margin between the degree of contribution between the functional and technical components is not large enough to warrant acceptance of the hypothesis. Instead, preference is given to the principle that there is no one dominant component but there exists a set of attributes which when combined in a certain mixture create the conference hotel product. However, one key element does emerge as having a major effect on net quality and that is the element of 'human interaction'. In order to alleviate some of the problems associated with this interaction process (consumers with consumers, and consumers with contact personnel) complex communication skills are required to ensure satisfactory service delivery of the attributes. This communication is an extensive flow of information to and from the consumers and producers. This information can be relatively simple when dealing with the technical attributes, and can be complex when dealing with the more intangible functional attributes. This was observed at the qualitative stage of the research (see Appendix I). Consumers encounter difficulty in articulating their requirements and expectations of the functional attributes as opposed to the technical attributes. However, consumers become very eloquent in articulating their requirements and expectations of the intangible functional attributes if dissatisfaction is experienced.

In practical terms, consumers will not perceive net quality as positive until both their expectations of the technical and functional attributes are met. The relationship between the technical attributes and functional attributes is intricate. If consumers experience dissatisfaction with one attribute it may directly effect another attribute.

The difficulties within the interaction may arise from high expectations. If the consumer has high expectations then management has to assure performance to meet those expectations. If the expectations are unrealistic then it should be controlled by management through such methods as advertising. Only those

expectations that can be met should be created by the producers since expectations are a major component of consumer satisfaction.

7.4 Implications for Future Research

This research has proven to be a prime tool for assessing consumer expectations and perceived performance of a product whose activity component is high. In light of the observations made in this research, there are a number of areas which require further investigation.

First, the need to study the net quality of other products with a high degree of an activity component. This research, has extracted information that indicates that consumers may feel more strongly about the functional attributes than they appear to express. Further research in this area may indicate if it is possible to manipulate consumer perceptions during the service delivery process. This type of research should be highly qualitative in nature to allow for an in-depth analysis of *how* consumers perceptions could possibly be affected. Such a subjective study could provide a closer link to the concept that consumer perceptions are directly related to re-purchase.

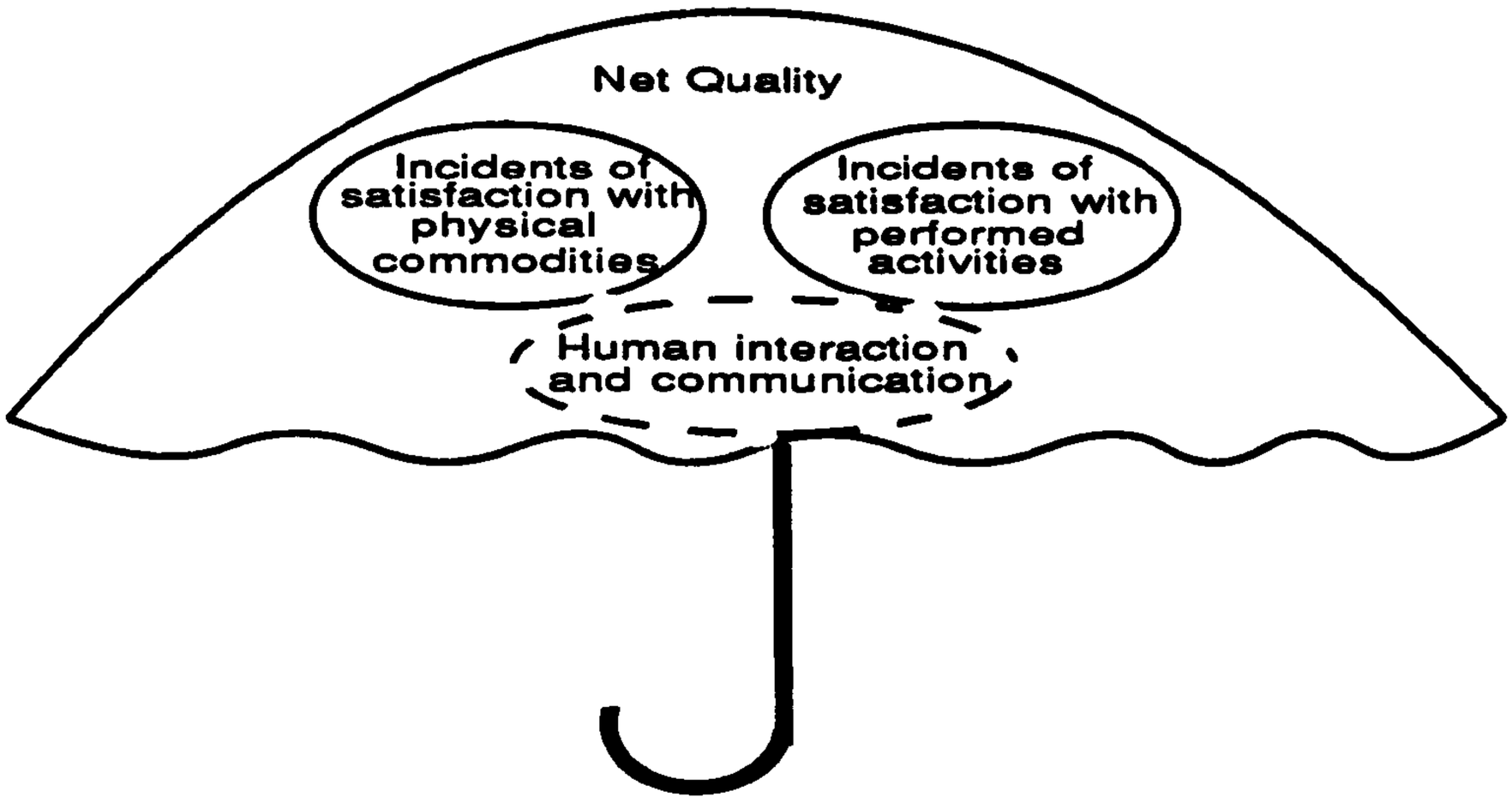
Secondly, the need for a study which enables a more objective measurement of net quality. Ideally, such a study would measure consumer expectations actually at the pre-purchase stage and consumer perceptions in situ at the post-purchase stage. This information could possibly enhance the construction of models on specific products, and possibly identify where the critical 'fail points' are for the specific product. Once the 'mismatch' between consumer expectations and perception were identified, management could become preventative rather than reactive.

Both such studies would need to consider, in-depth, the crucial element of human interaction. This should be with particular emphasis on aspects of communication and a more detailed analysis of the interaction between consumers and contact personnel, because consumers depend on a 'hassle free' environment.

Thirdly, there are the managerial (resource allocation) implications to consider. There is a need for the development of a model of resource allocation which recognises the determinant attributes in the service-delivery system. Logic would suggest that if certain attributes are determinants of net quality then management can optimise the allocation of resources, and thereby profitability.

In conclusion, an 'umbrella' of net quality contains not only incidents of satisfaction with the physical commodities and performed activities. It also needs to take in consideration human interaction as a component in itself, as conceptualised in Figure7.10.

Figure 7.10 The Net Quality Umbrella



7.5 Managing Net Quality

Dependability is the key to net quality. Consumers want to experience the service almost unaware of the functional (interactive) attributes. How can these aspects be more effectively managed? Clearly the consumer and contact personnel interactions are numerous and continuous and cannot be controlled through constant managerial surveillance. The functional attributes cannot be subject to regulation by rules and procedure because they are people related and are, therefore, too unpredictable. Regulations would also reduce the flexibility of contact personnel actions and reactions to consumer requirements.

There is then a need to create a 'service' culture environment which allows staff to instinctively respond (without prompting) to sensitive consumer requirements.

Culture encompasses the rational and tangible elements of an organisation, but also encompasses symbols, ideologies, language, beliefs, rituals and myths (Peters and Waterman, 1982).

With the presence of a 'service' culture, contact personnel can believe in the consumer and in the provision of quality as an inherent characteristic of their function.

Any future research which addresses the issues surrounding 'service' quality, would need to examine how such a 'service' culture could be developed. Finally, the impact and influence of such a culture on the service delivery process and perceived net quality will need to be established.

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APPENDIX I

Description of Personal Interview Survey Results

The survey was exploratory in nature with the aim being to identify a comprehensive set of attributes which made up the conference hotel service product.

The descriptive results can be divided into three main areas; the background of the company and interviewee; the service product specifics and the attributes of the service product.

Employment Size of the Company Interviewed

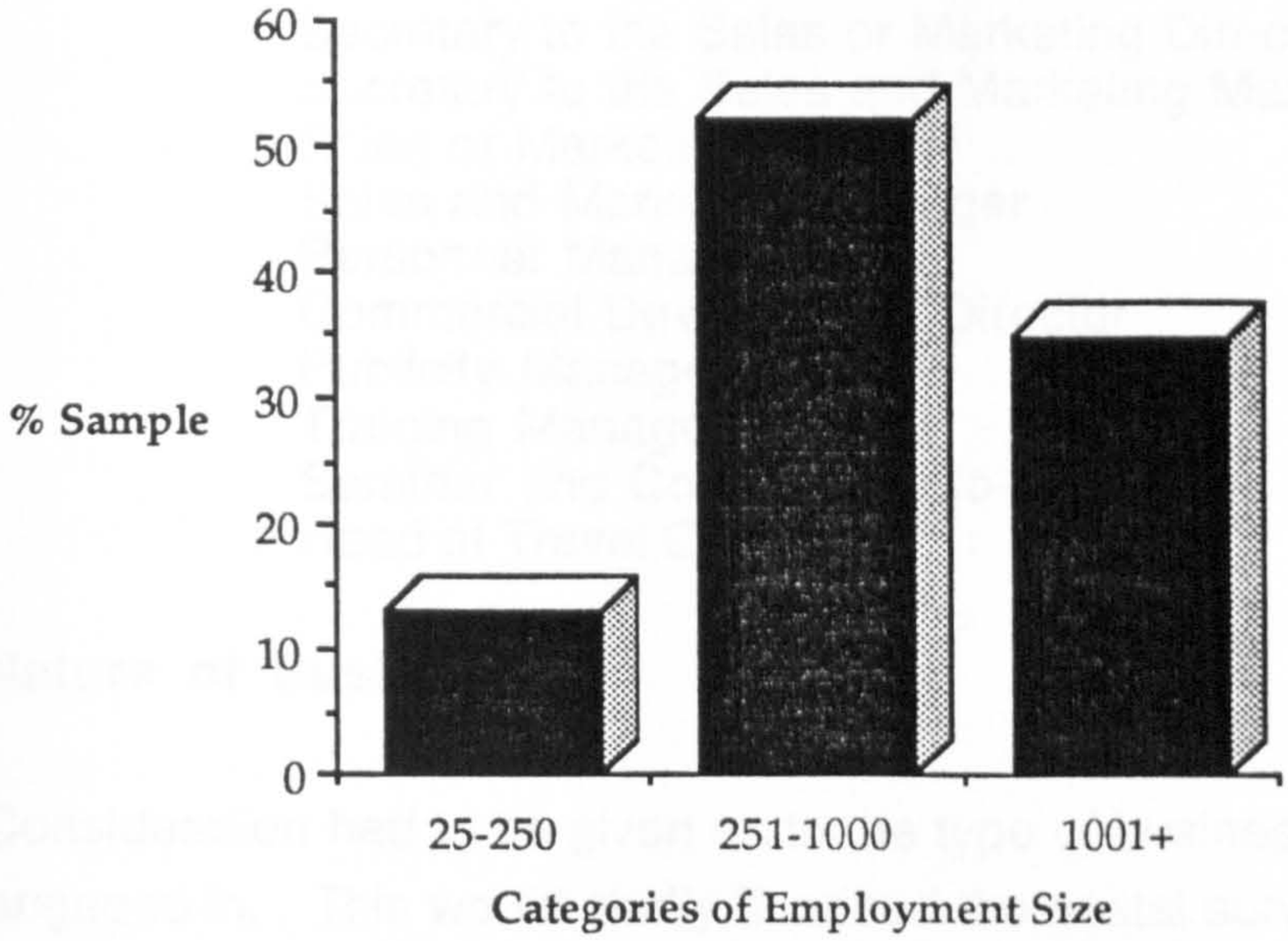
The employment size of the company or subsidiary was taken from the site at which the interview took place. For example, one of the companies turned out to be a subsidiary of a larger company in the United States.

This question reviewed if employment size could be correlated to the holding of conferences in hotels. If there was a correlation, then it was necessary to ascertain the categories of employment size. This information would enable a more accurate focus of companies to be utilised in the postal survey.

The graph in Figure I.1 shows the relationship between employment size and the percentage of companies interviewed. The responses were categorised into three groups namely 50-250, 251-1000 and 1001+. The largest percentage of companies 52.2%, falls into the category of employment size between 251-1000. Only 13.0% of the sample fell into employment category of 50-250.

It must be remembered that the sampling method chosen was random within the given city/town (see Chapter 2, Section 2.4). However, the companies within the population of the Kompass Directory did not represent an equal distribution between categories of employment size. The Kompass Directory is a register of British Industry and Commerce which mentions employment size of most companies listed. Thus, the percentages mentioned represent an accurate view of those companies within the research population whom hold conferences/meetings at hotels.

Figure I.1 Graph of Company Employment Size



Position of Interviewee

It was necessary to ascertain which person within the company organised conferences. Information on the position of those interviewed would enable the postal survey to be directed at the appropriate organisers, and thereby increase the response rate.

The interviewees were questioned as to their formal position within the company. A varied range of positions emerged, these ranged from secretary to managing director.

Table I.1 clearly indicates that the largest percentage of conference buyers interviewed were in the Sales or Marketing departments. 21.7% were managers in Sales/Marketing, and 13.0% were in fact Sales or Marketing directors. Thus a total of 34.7% of those interviewed were in executive positions in Sales/Marketing.

In addition, a total of 17.3% were the secretaries of managers or directors in Sales/Marketing. Thus 34.7% + 17.3% = 52.0%, just over half of all those interviewed were involved with Sales/Marketing departments. This may have provided some bias in the data obtained.

Table I.1 Position of Interviewee

Position in the Company	% of Sample
Secretary to the Sales or Marketing Director	13.0%
Secretary to the Sales and Marketing Manager	4.3%
Sales or Marketing Director	13.0%
Sales and Marketing Manager	21.7%
Personnel Manager	8.7%
Commercial Development Director	4.3%
Publicity Manager	8.7%
Training Manager	13.0%
Seminar and Conference Co-ordinator	8.7%
Head of Travel Office	4.3%

Nature of Business

Consideration had to be given as to the type of business the company was engaged in. This would clarify if indeed the postal survey had to be directed at a certain category of business. There was no anomaly since the percentages were fairly evenly distributed.

The largest category of business is Manufacturing which constitutes 26.1% of the sample, as seen in Table I.2. Second to manufacturing is Mineral and Fuel Extraction with 17.4%. The respondents identified the nature of business within which their company was involved. It is believed that included in the Mineral and Fuel Extraction percentage is the processing of natural resources.

Table I.2 Nature of Business

Type of Business	% of Sample
Manufacturing	26.1%
Mineral and Fuel Extraction	17.4%
Production of Polymers	8.7%
Manufacturing of Automotive parts	4.3%
Consultancy	13.0%
Computer Services	8.7%
Research	8.7%
Aerospace	4.3%
Distribution	4.3%
Customer Service	4.3%

Again, it must be remembered that the sampling method chosen was random, and not by industrial classification. The Kompass Directory is a register of British Industry and Commerce. Thus, the percentages mentioned, represent

an accurate view of the industrial classification of the companies within the research population who hold conferences/meetings at hotels. It may be noted that the financial services did not surface in the sample. They do, however, utilise the conference market, particularly in the incentive travel area. (For example, the Abbey Life use incentive travel as an incentive for their sales employees).

Position of Employees who attended the Conference

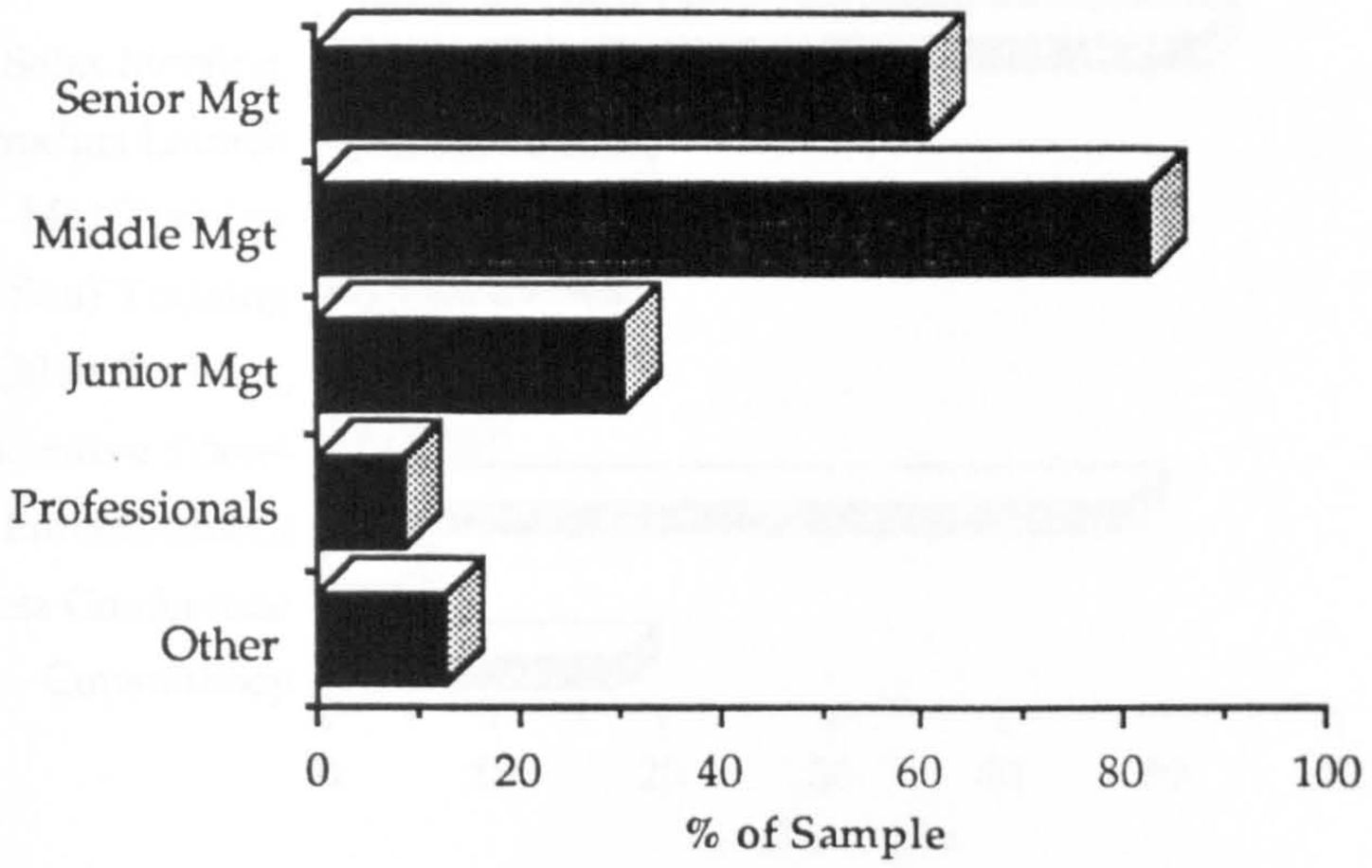
Upon discussing the number of delegates attending the last conference, some confusion arose. For example, the respondent would mention that some 450 delegates attended a particular product launch. Since the interview was informal, a general discussion arose, and it became apparent that from a total of 450 delegates, only several were actually employed by the company being interviewed. The existing literature on the conference market mentions marketing activities (McGill, 1979; Lawson, 1981; and The Peat Marwick report, 1984). These include such conferences as a product launch, or sales meeting to boost morale or discuss a new product.

This brought to light that some organisers do not merely organise meetings for their own company employees, but also for the attendance of external delegates. These external delegates would be customers and clients who would be present at market related functions.

The respondent indicated five possible categories of delegates.

Senior Management, e.g. company directors and executives,
Middle Management, e.g. personnel managers,
Junior Management, e.g. sales force and supervisors,
Professionals, e.g. accountants,
Other.

Figure I.2 Employee Position



As is indicated in Figure I.2, 82% of the delegates attending were from Middle Management positions, whilst only 8.7% were from the Professional section. The total percentage is larger than 100% because at some conferences, for example, both senior and middle management attended and maybe a professional to give expert advice.

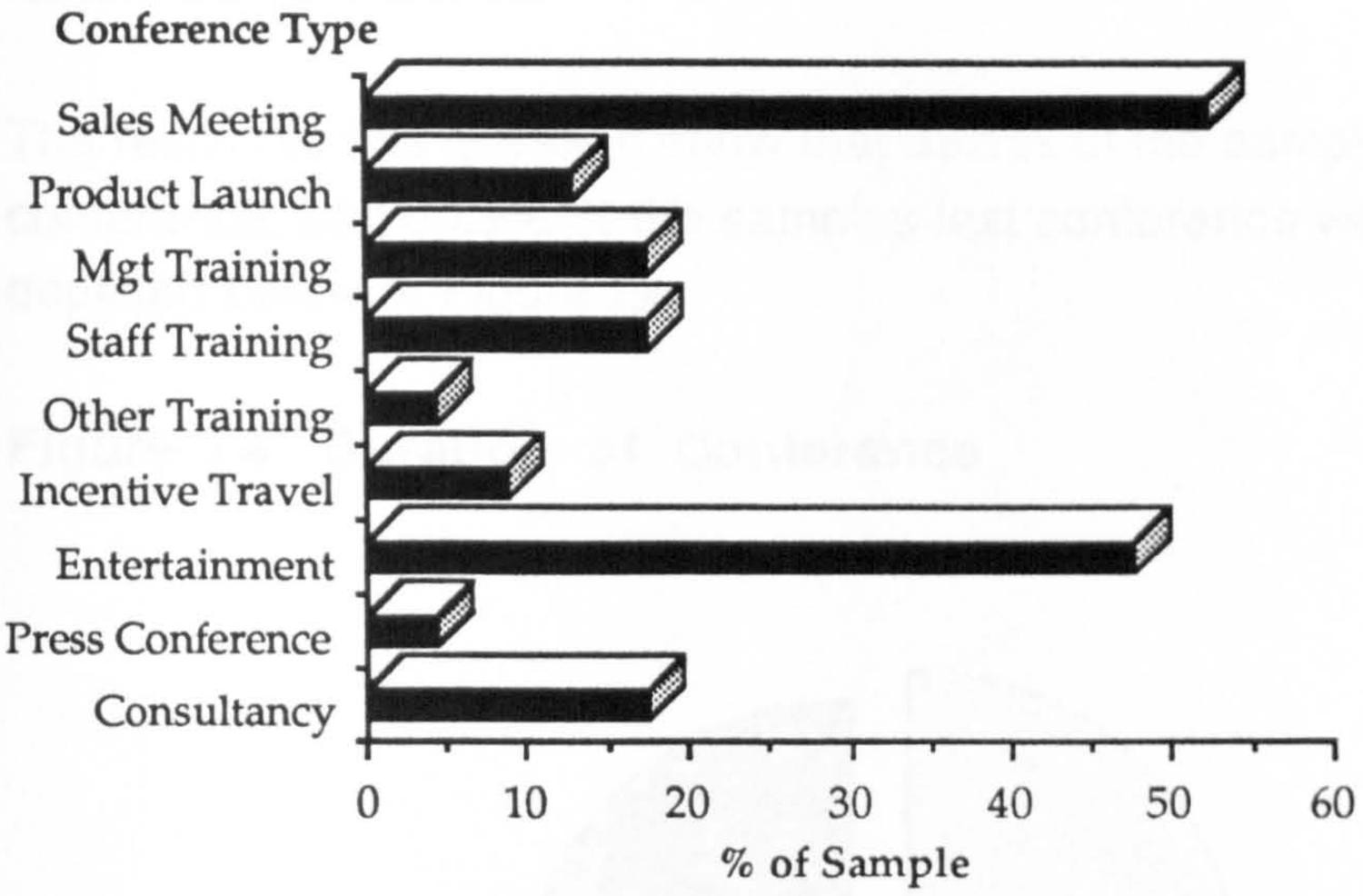
The type of delegate attending relates to the type of conference. An example given was; management training where junior and middle management attended in addition to a professional who offered advice and a lecturer who taught the course.

Type of Conference Arranged

The survey identified nine different types of conferences, and many of those arranged included more than a single purpose. Thus a Sales Meeting could be coupled with Staff Training.

It can be seen from Figure I.3 that Staff Training occurred at 17.4% and some of Sales Meeting occurred at more than half of the conferences. This indicated that market related functions represent the largest segment in the corporate conference market.

Figure I.3 Conference Type



Duration of Conference

A residential conference was defined, for the most part, according to the English Tourist Board definition as

> *"A meeting, seminar or training course (or any type of conference) with a fixed agenda, with 15 or more people in attendance and includes one or more nights paid accommodation for the majority of delegates*
>
> (ETB Report, 1984).

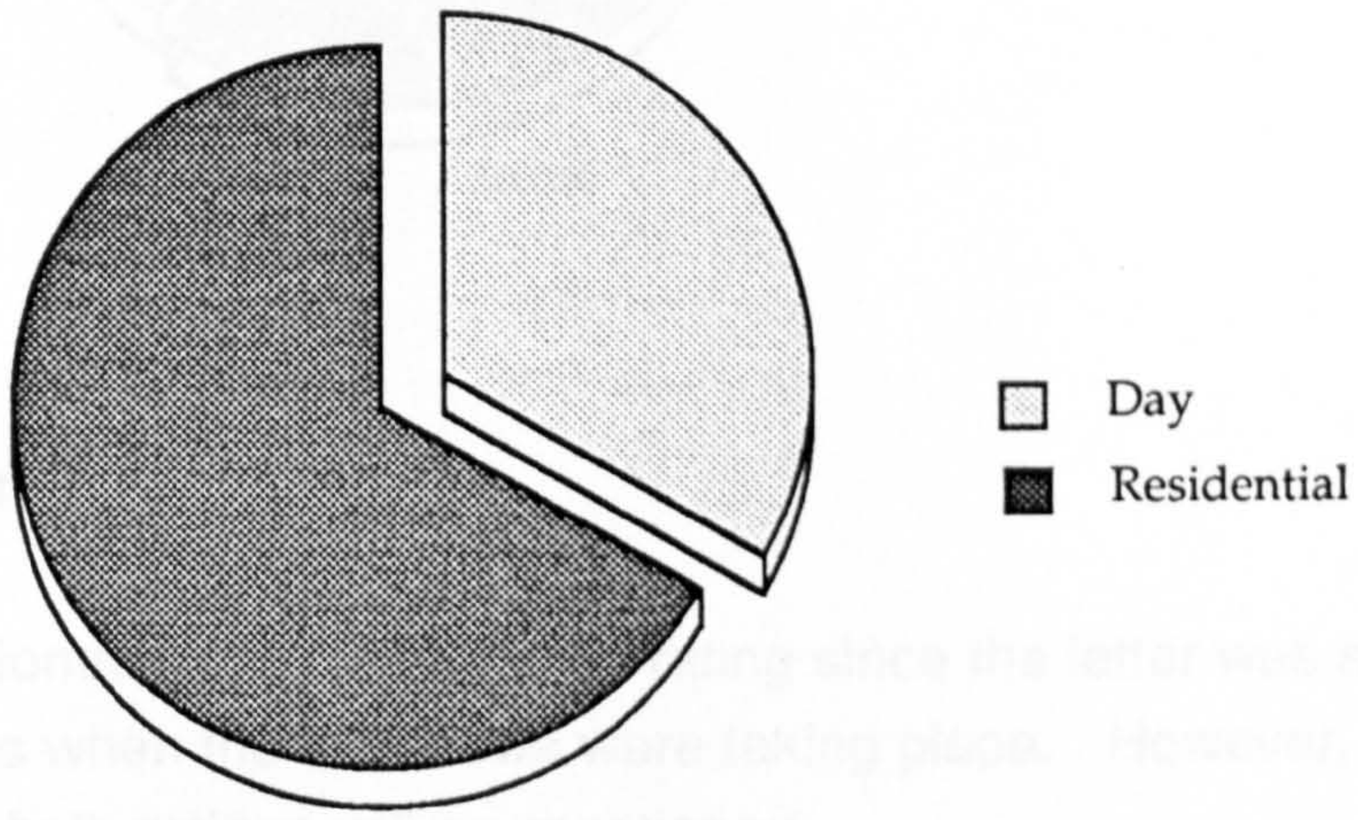
A day conference was defined as any type of conference or meeting, with a fixed agenda, with 15 or more people in attendance; that continues for a minimum of one half day (9.00 to 12.00) or three hours, this does generally not involve delegates in overnight accommodation. The minimum of a half day was taken because a seminar, for example, could last for just a morning.

Anomalies became apparent in that some meetings, e.g. a Product Launch would have the company employees staying for twenty four hours, but not the customers. These were recorded in the data as day conferences, since there was no continuation in the conference area the next day, and the majority of delegates did not remain overnight. Further, as one interviewee mentioned, their conference took place in one hotel for the actual meetings, but delegates were moved to another hotel for overnight accommodation since this reduced expenditure.

A meeting which involved a three day stay at the hotel with usage of the conference or syndicate rooms on all days was obviously recorded as a residential conference.

The results to this question show that 39.1% of the sample had held a day conference, and 60.9% of the samples last conference was residential. This is depicted below in Figure I.4.

Figure I.4 Duration of Conference

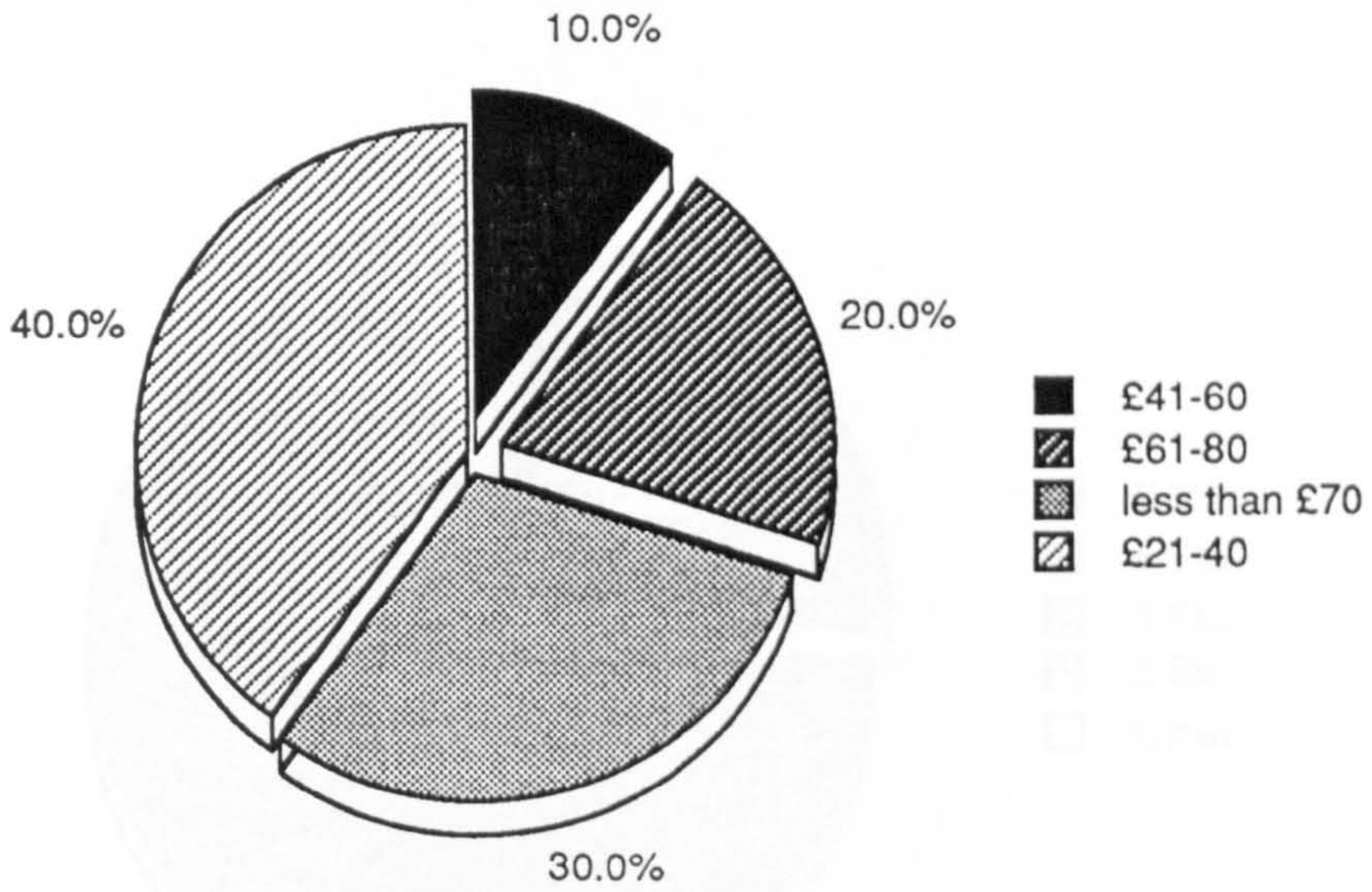


Range of Expenditure

The range of expenditure relates to the total cost per delegate. Figure I.5 shows that for 39.1% of the cases the price per delegate was less than £20 , and for the 26.1% of the cases the price per delegate ranged between £40 and £60 per conference.

The costs incurred obviously relates to the nature of the conference, that is residential or day. In addition, the range of expenditure varied depending on the type of conference, and subsequently related to the type of delegates attending the conference or meeting. Senior management and customers/clients apparently warranted the highest levels of expenditure.

Figure I.5 Range of Expenditure



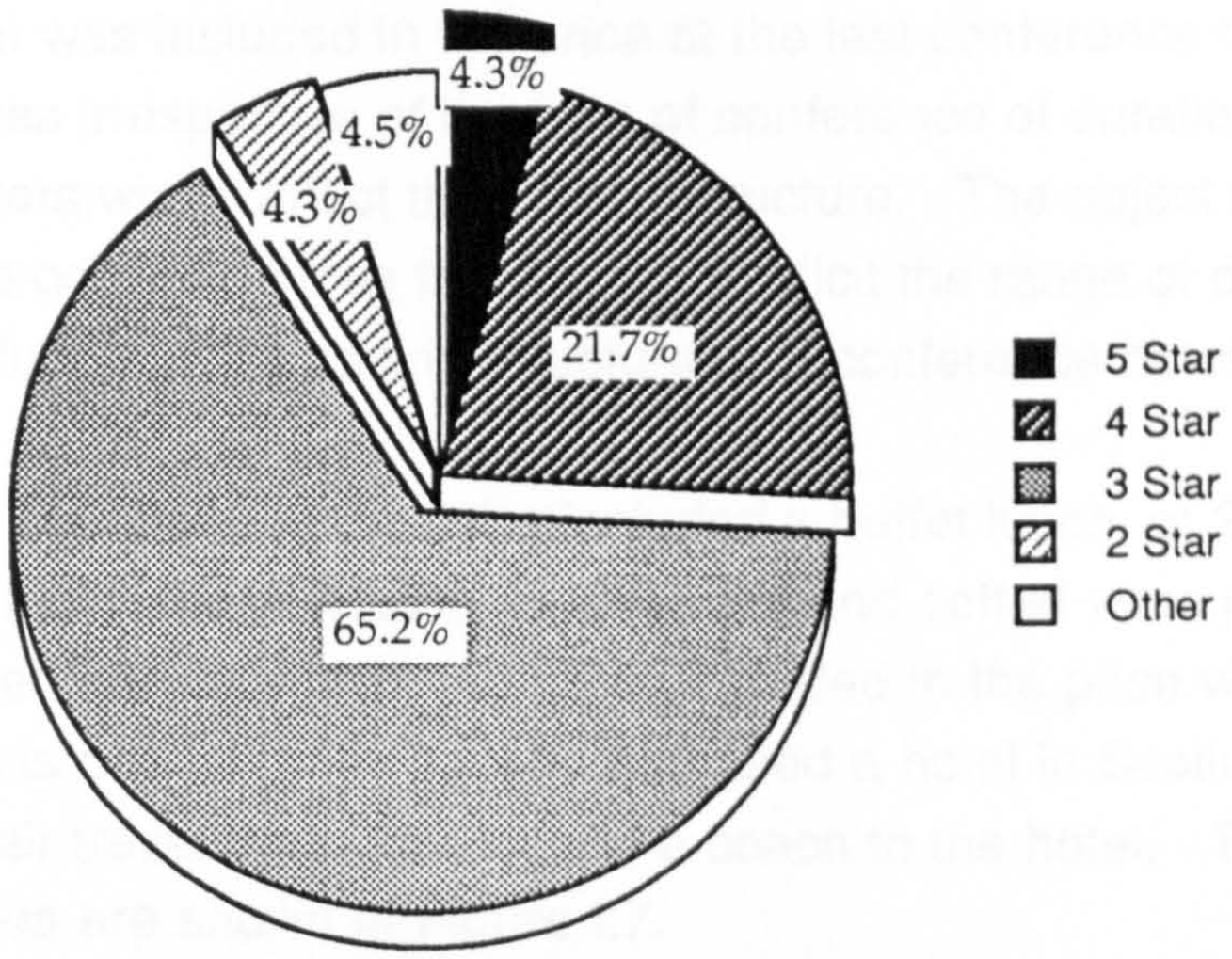
Star Rating of Hotel

Star rating was mentioned rather than Crown rating since the latter was still in its introductory stages when the interviews were taking place. However, in the postal questionnaire both ratings will be mentioned.

As Figure I.6 indicates, 65.2% of the organisers used a 3 Star Hotel to hold their last conference at. The 4 Star Hotels were utilised by 21.7% of the sample for their last conference.

The type of hotel utilised can be correlated with the type of employees attending the conference. For example, a meeting with top executives would be held at a 5 Star Hotel and may be even a 4 Star Hotel if it had proved efficient in the past. Under no circumstances would the companies interviewed raise their level of expenditure to that of a 5 Star Hotel for employee attendance meetings, such as the bi-monthly sales force meeting.

Figure I.6 Star Rating of Conference Hotel



What Should Be Included in the Price

By price is meant total expenditure of the conference. This included the cost for catering, and conference room hire and was irrespective of the conference being residential or a day meeting.

What is of importance is not what was included in the price or what was not included in the price, but rather what respondents felt should be included in the price.

When asked what the cost per delegate was, probing techniques in the interview supplied a variety of replies as to what was included in the price. This question opened a flow of responses. The response given was not a reply to the question asked, but more of a listing given by the interviewees as to what should be included in the price.

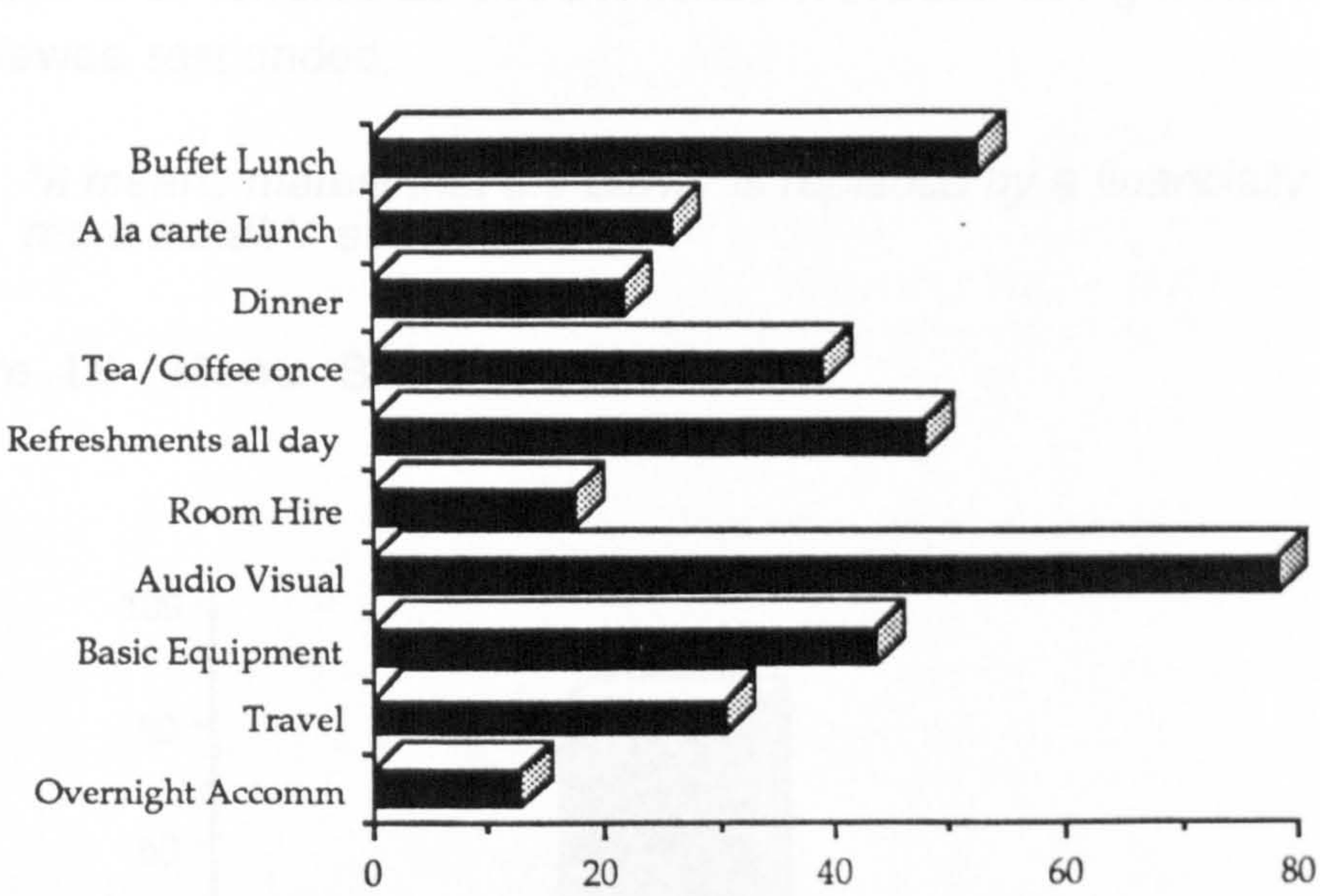
Some professed concern that at times basic equipment such as overhead projectors as well as refreshments such as tea/coffee, were not included as part of the service. The concensus was that if indeed a hotel wants to market to the conference organisers and the hotel claims to be indeed a conference hotel, then such items would have to be provided without extra cost. This was

particularly the response from those with a large number of delegates (50+) attending the conference.

The interviewees were then re-directed to the question which requested information on what was included in the price at the last conference they had organised. This was irrespective of the type of conference of duration, although those factors would affect the pricing structure. The object of the question was not to correlate those factors, but to elicit the range of dimensions which could be included in the pricing structure of a conference hotel.

Hence at 52.2% of conferences the price included a buffet lunch, at 21.7% the total bill included dinner and at 47.8% of cases tea and coffee were provided all day. Those interviewees which had travel included in the price were 31%. An example of this is one interviewee who had used a hotel in Scotland and the price included air travel from London and a coach to the hotel. The remaining categories are shown in Figure I.7.

Figure I.7 Inclusive in Price



Menu Satisfaction

Menu satisfaction referred to the meals consumed at the conference hotel. The meal type could range from a self-service buffet luncheon to an á la carte

lunch being used by a company entertaining and discussing business with some senior executives from their head office.

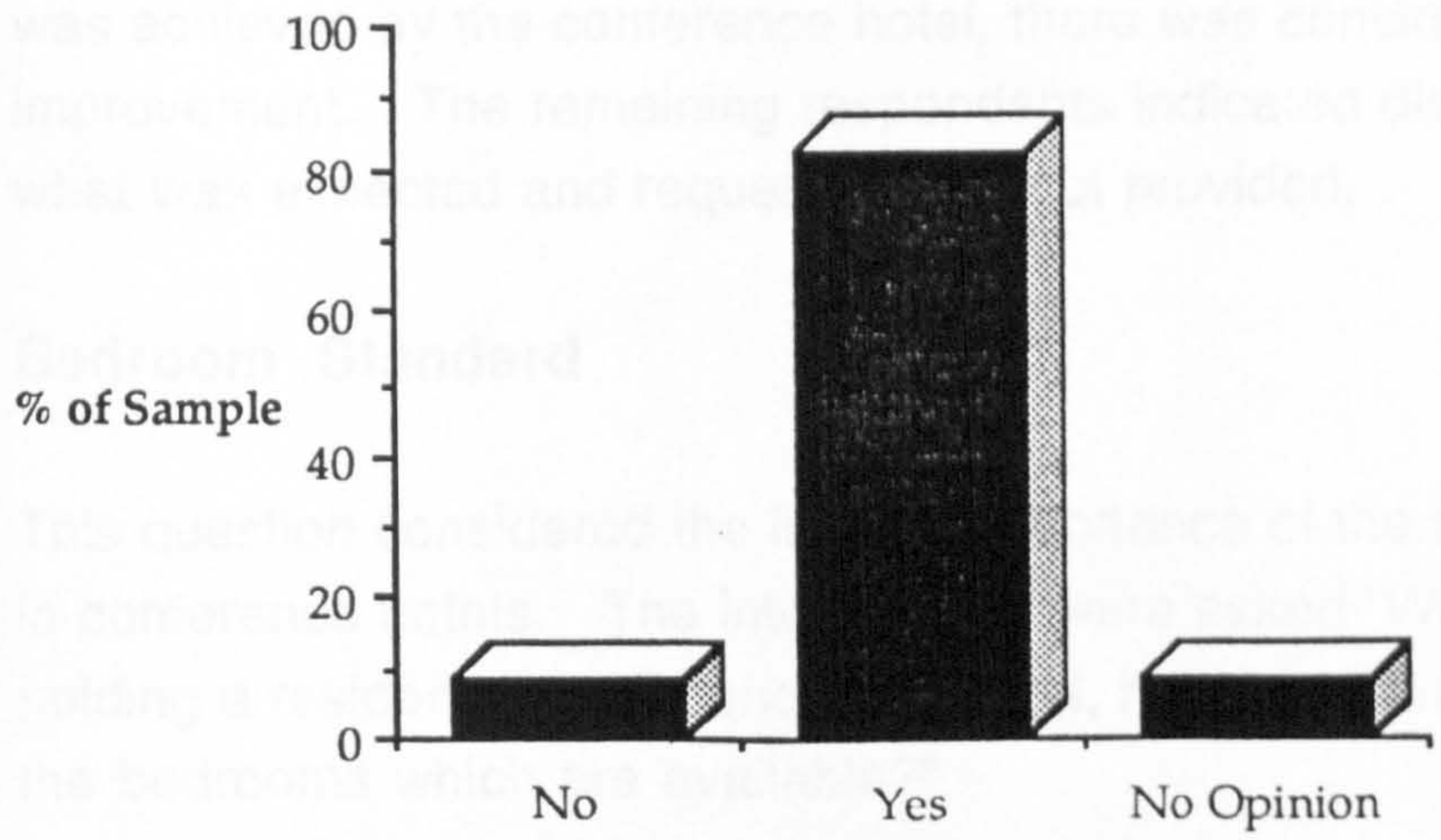
Satisfaction relates here to the quality and quantity of the food provided. As Figure I.8 indicates, the results of this question show that 82.6% were satisfied with the menu, basically because what had been expected was provided. What was expected was dependant on the type of catering requested. However, 8.7% were dissatisfied since as one interviewee stated, the quantity was lacking. The remainder has no opinion because they had not arranged for any meals at the hotel and therefore were unable to comment.

A considerable majority of the corporate buyers interviewed were satisfied with the quantity and quality of catering provided by the conference hotel.

Some dissatisfaction was indicated due to lack of quantity rather than quality of food. Most respondents felt that upon utilising a 5 star hotel, expectations of food quality would rise. However, in practice most had consciously chosen a lower star rating due to financial constraints, and were in fact satisfied with the quality of food provided. This does not indicate that food quality standard is expected to be lowered as one descends in the star rating hierarchy. As one interviewee responded,

> *"It means merely that the caviar is replaced by a financially more suitable substitute".*

Figure I.8 Menu Satisfaction



Facility Satisfaction

Most consumers were satisfied with the conference facilities. What was requested in the way of seating arrangements, or equipment requested to be present was provided. However, some interviewees stated individual grievances such as;

> *"The divider between the lunch and the conference room was not completely closed. We could hear all the banging around of plates and cutlery while the staff were setting up the lunch area".*

In fact, some mentioned that their level of expectation has been lowered over the years, such as

> *The conference room was not purpose built, but one has to take what one can get these days. I would say that over the years I have learnt to accept the incompetence of some conference hotels. There is nothing you can do about it, except hope that next time they will get it right".*

Upon probing what was meant by *"getting it right"*, the response was

> *"That everything which you ask for is there. If you want the room layout in a certain way, that they clearly understand what you mean and are able to fulfil those requirements. Making certain that tea/coffee is available on time, reducing the noise level when they are cleaning up. Clearing up to begin with, sometimes you have to continue in the afternoon with full ashtrays and dirty cups everywhere".*

Thus responses given by the interviewees indicated that although satisfaction was achieved by the conference hotel, there was considerable room for improvement. The remaining respondents indicated dissatisfaction, because what was expected and requested was not provided.

Bedroom Standard

This question considered the level of importance of the standard of bedrooms in conference hotels. The interviewees were asked "When considering holding a residential conference in a hotel, how important was the standard of the bedrooms which are available?"

Response:
"Our employees expect proper accommodation", this appeared to be an important factor for the sales force. By proper accommodation was meant cleanliness of facilities, private bathroom and comfortable sleeping arrangements.

"Would like some modern ambiance" or *"Want a hotel with character"*. Individual preferences varied from preferring a country style hotel with wooden beams and an open fire in the foyer, to a hotel with the latest fashion in interior decor.

"Top people expect a first class product from a first class hotel".

"Very important to have a good standard for clients" and *"A good business hotel"*, by 'good' meaning the availability of tea/coffee facilities, private bathroom and external telephones.

There was some variation in the responses depending on what type of conference was arranged, and if clientele attended the function. Those respondents which organised residential conferences which involved customers, felt that the standard of bedroom was of utmost importance.

For a residential meeting which did not involve customers, it was observed that some organisers utilised one hotel for the conference or meeting, and then utilised another hotel for overnight accommodation. The cause seemed to be financial. Some conference hotels who had a twenty four hour package were in fact not what was considered a 'good deal'. Financially, it was more practical to migrate to a second hotel for accommodation.

Conference Room

Interviewees were asked concerning their expectations of the actual conference room.

Some of the respondents felt that the Conference Room was very important, and others thought it rather important depending on the type of conference.

Further probing gave responses such as: *"Spend a lot of time in that room"* and *"Need purpose built facilities". "A reasonable room is needed"* reasonable meaning, a decent size room which will accommodate the number of

delegates.

"Need a selection of rooms",
"Want natural daylight, but need blackout facilities".
"Not south facing",
"Adequately heated and cooled", "
Lighting and sound has to be good".
"Depends on the type of conference we are holding"

There were differing requirement for size and type of meeting rooms depending on the type of conference held. Some needed syndicate rooms, whereas others wanted a larger size seminar room for training purposes.

One interviewee, who had arranged a product launch thought of the conference hotel as, *"It is the stage or theatre, used for production".*

Leisure Facilities

A distinction was made between indoor facilities, such as a swimming pool and Nautilus room and outdoor facilities, such as a golf course.

Three types of responses were elicited from this question.

1 Entertainment conference. A conference for purely entertainment purposes was organised for customers. Activities included a gold tournament as the highlight of the gathering. Leisure facilities were the prime actor in chosing this venue.

2 Conference where the delegates are not allowed to leave the hotel grounds. An example given by one interviewee was for a sales force on an intensive course. The delegates were not allowed to leave the hotel, and the leisure facilities available were a major consideration when deciding on a venue.
Response:
"They are not allowed to leave the hotel, so it is very important", "
A nice way to wind down".

3 Remainder. The majority of those interviewed, 69.0% responded that leisure facilities were a minor consideration when deciding what venue to choose.

Response:
"Delegates are not there for entertainment",
"TV and swimming pool is expected",
"Too busy with meetings, but it is nice to have available",
"Useful to those employees who want them".

Cost

Interviewees are requested to discuss why they select a particular price/budget for their conferences. The differing responses emphasise the varied nature of the conference requirements.

The type of budget chosen varied depending on the type of conference, and subsequently related to the type of delegates attending the conference or meeting. Senior management and customers/clients apparently warranted the highest levels of expenditure.

Response:
"A middle price range, not caviar but not finger sandwiches either".
"Good accommodation is more important than expenditure",
this meant that the company wanted to make employees feel important. (Several employees were recently made redundant with this particular company).

"Customers/clients attending, no penny pinching",
"Small budget to consider".

"Must be reasonable to the proportion of service you get", the interviewee responded that one expected a lower standard in a 3 star hotel as opposed to a 5 star hotel. *"You get what you pay for".*

"Want value for money",
"Money no option, we are desperate for hotels".

Selection of Conference Rooms Available

Respondents discussed how important it was for them to have several conference rooms within the hotel to chose from. Again showing the varied nature in the individual requirements of conferences.

Response: *"Nice to be able to change rooms if necessary",*
"No need",
"Only syndicate rooms have to be available".
"Not more than 2 or 3 rooms, gets too busy otherwise",
"Need differing sizes of rooms",
"Syndicates and conference rooms need to be close together",
"Necessary because number of delegates may vary on the actual day of the conference".

"Needed a purpose designed area", as opposed to a converted ballroom or a bedroom converted into a syndicate room during the day. A purpose designed area also included the installment of permanent fixtures for equipment.

Availability of Equipment

A general opinion was asked concerning the provision of basic and specialised equipment by the conference hotel.

The results of the exploratory stage covered differing types of requirements. At this stage, because of the varied nature of companies within the sample, the use of this type of equipment does not correlate to the type of conference organised, but relates to the individual differences of the companies interviewed.

The responses indicated that some organisers did not want any Audio Visual equipment from the hotels, but that they preferred to hire an outside company to deal with such. This correlates to the type of conference which was held. For conference which needed an elaborate display of lighting, external specialist companies would be called in.

On the other hand, for most organisers it was a major requirement to utilise a hotel which was able to supply basic equipment such as projectors, flipcharts and photocopying facilities. If need be, it would be the hotels' responsibility to hire an outside firm to deal with the acoustics and specialised equipment.

Response:
"Too much bother to carry the equipment ourselves",
"Like to bring own, can not rely on theirs".
"Expect the hotel to provide basic equipment: such as projectors, flipcharts and photocopying facilities".

"We need equipment that works",
"Do not expect the hotel to have specialised equipment",
"VCR and screen is expected",
"Rarely use Audio Visual equipment",
"Can not trust them to have really good stuff",
"Buying our own is more economical".

Responses included that the hotels could not afford top class equipment and that the equipment provided by hotels was utilised to a great extent and was therefore "wearing out".

Receive Value for Money

This question relates to how the interviewees felt about whether they had received value for money. A range of factors were identified.

These include amongst others, efficiency of staff, where some respondents felt that they had received value for money because the hotel staff was indeed competent.

Good standard within the hotel was identified with examples such as the standard of staff uniforms and presentation of the buffet lunch.

Competitive rates clearly means that the hotel offered a reduction for a large conference or maybe a twenty four hour delegate rate.

Those interviewees which responded by naming *"smooth arrangement"* as an indication of value for money, gave responses such as; the coffee/tea was on time, all requests were carried out, staff were helpful and responsible.

Management and Operations

With regard to the management and operations of the conference hotel, several key dimensions emerged:

1. Competence of staff and management, in respect to dealing with conferences, was expected by the conference buyers. Competence was defined most frequently by respondents as the ability to carry out a job professionally. It is assumed that if a hotel offers conference facilities, they must have the staff to activate the facilities.

2. It would appear that management was required to have some level of experience in dealing with conferences and meetings. Hotel management has to be able to understand requests made by the corporate buyer who is organising the particular conference.

3. Further, management should be able to advise the corporate buyer, and give some helpful suggestions with regard to the organising of the conference. Although this was not a requirement, it was an important factor in the initial contact made with the hotel conference organiser. If the corporate buyer did not feel that his/her conference was in capable hands, it could mean withdrawal from that particular venue.

4. Responses indicated that the conference hotel staff needs to uphold a professional attitude towards the delegates. By that statement is meant that staff needs the ability to act positively and in a manner which meets all needs. Apparently, at times, hotel staff regard the delegates as an addition to other hotel quests. This was regarded by the interviewees as unprofessional and indeed unjustified. Conferences and meetings are an integral part of the corporate sector running a business, and require the utmost dedication of hotel staff. In addition, companies pay the hotels, in most instances, quite considerable sums, and as a consequence have high expectations.

5. Not only was hotel staff required to be professional, but attentiveness of staff appeared to be an additional key factor in the achievement of a successful conference. Attentive staff would be

staff who are up to date with the conference proceedings and able to understand and react to requests. When staff were attentive, they would recognise if problems occurred, and would then act upon them.

6. Attentiveness of hotel staff seemed to be linked directly to the enthusiasm of hotel staff and management in dealing with conferences. If management were enthusiastic, it would most likely effect staff attitude. Enthusiasm would then lead to attentiveness, since hotel staff and management were interested in achieving a common goal, namely a successful conference.

7. The adaptation of management to deal with differing requirements was an important factor considered by the corporate buyer. At times, it would seem, the number of delegates attending the conference or meeting could change on the actual day of the conference. There could be an increase, which would then have to be accommodated. Management would need to adapt, since the conference room might result in being too small in size and would preferably, have to be changed.

8. To meet with the hotel conference organiser on the day of the actual event seemed to be the answer to many an obstacle. The corporate buyer would be able to discuss any last minute alterations. However, a meeting with an introduction to management responsible for the conference on the actual date, was not a frequent occurrence.

9. Politeness of staff seems to be expected, as is helpfulness and pleasantness. Conference hotels are in the service industry and indeed service without a grumpy attitude is expected. However, generally, management is polite, but staff, at times, do not seem interested in dealing with the conference aspect of the hotel. This relates back to the level of enthusiasm of staff and management, which consequently effects attitude including politeness or lack thereof.

10. There seemed to be a necessity for hotel staff to be efficient and quiet. Basically, the ability to correctly fulfil a job requirement and not have to waste time. In addition, hotel staff would have to fulfil

the tasks required, with the lowest possible noise level. This factor was of particular importance if the conference facility was adjoining to the catering facilities.

APPENDIX II

Description of First Postal Survey Results

Once the nature of the attributes had been identified these needed to be applied in ratings importance. The fully structured questionnaire was designed with two major sections, preceded by an introduction. The first section dealt with background information. The purpose of this section was to obtain background information of the respondent companies with respect to the type of industry and number of people employed. The second section acquired data on levels of importance of the previously identified attributes.

What is the nature of your company?

The table below indicates the distribution of respondent companies across the industries identified in the Standard Industrial Classification list. The sample frame was selected from the Times Top 1000 companies and was therefore across all industries. Thirty one per cent of companies responding came from other manufacturing industries making the total response from the manufacturing sector forty seven per cent, with thirty per cent of respondents being from the service sector.

Table II.1 What is the nature of your company

Nature of Company	Percentage
Agriculture/Forestry Fish	2.1
Energy/Water Industries	2.9
Extraction Manuf Goods	9.4
Metal goods Engineering	15.6
Other Manufacturing	32.2
Construction	7.1
Distrib/Hotel Catering	8.3
Transport/Communication	4.1
Banking/Finances Insurance	2.7
Other Services	15.6

What is your position within the company?

Table II.2

Position in Company	Percentage
Sales Director/Manager	7.2
Marketing Director/Manager	9.2
Head Travel Services	1.2
Comm Dev Director	1.4
Sem/Conf Co-ordinator	9.0
Sec Sales Director/Manager	1.4
Sec Marketing Director/Manager	2.6
Training Executive	26.0
Personnel Director/Manager	13.0
Publicity Director/Manager	8.1
Other	20.8

Table II.2 demonstrates the range of positions and job titles that respondents held within companies. A large proportion of those people responding (39-40%) were from the personnel/training function of the company whilst 29% were from marketing related activities.

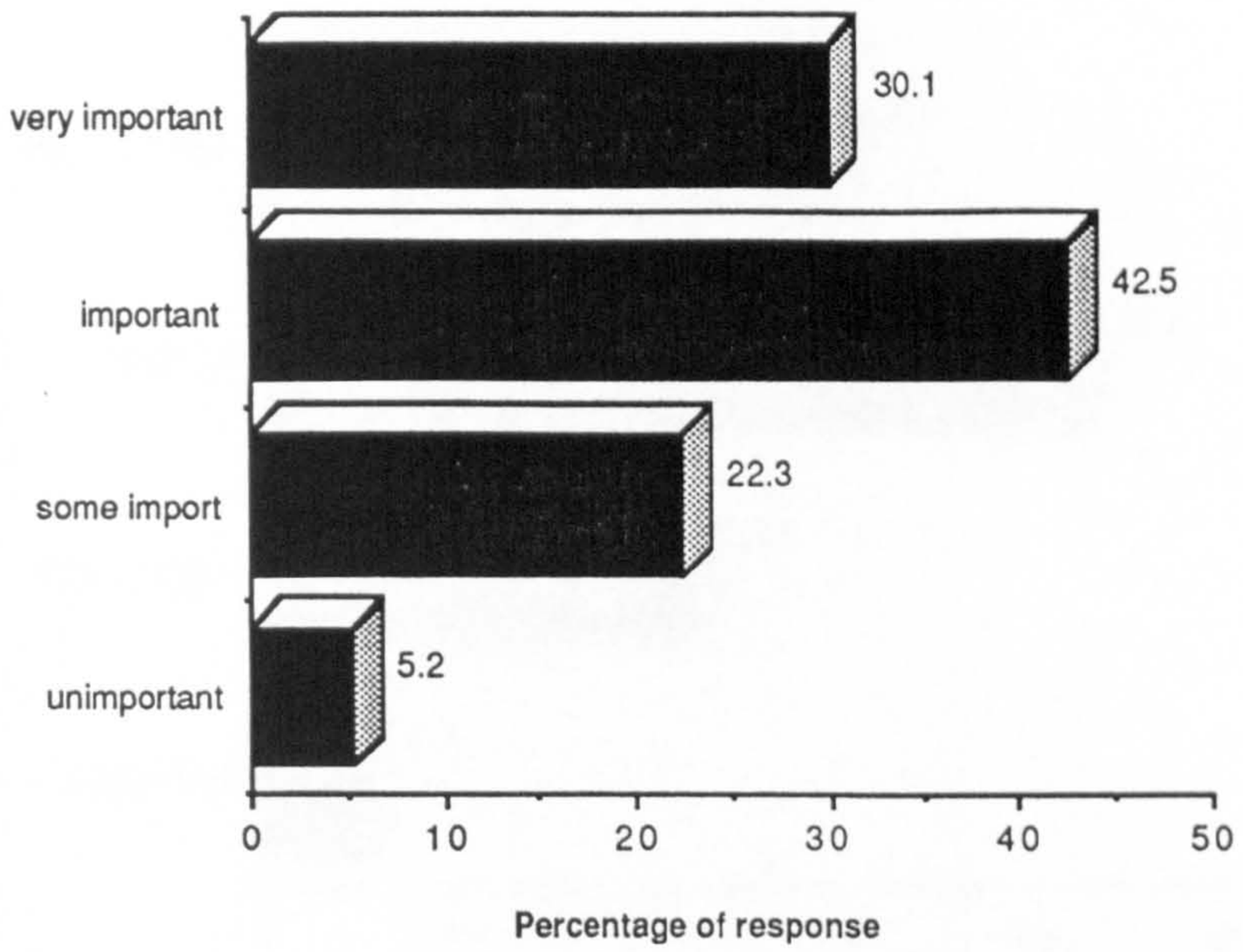
It was apparent that the general supposition that secretaries to marketing and sales directors/managers were actively involved in organising conference bookings was untrue (or that the questionnaire did not reach them).

Approximately 21% of respondents stated *"other"* positions.

How many people does your company employ?

Forty two percent of responding companies employed between 1000 - 5000 employees. There was a predominance towards the sector of industries employing 600-5,000 plus employees probably due to the sample frame which because of its very nature precluded smaller companies.

Figure II.1



Conference Hotels

Respondents were asked to rate the following factors:-

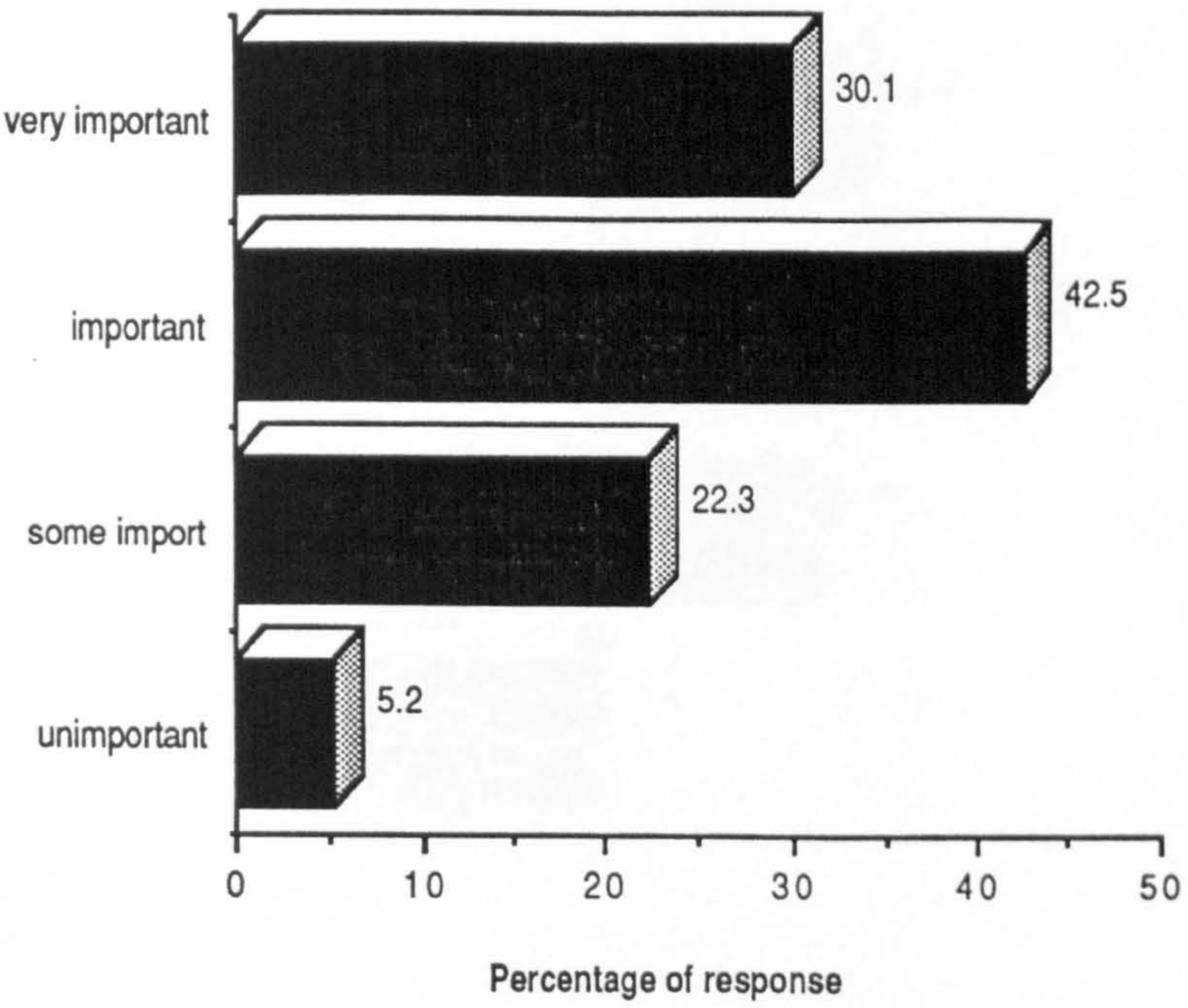
Facilities,
Other,
Pricing,
Catering.

in respect of levels of importance to them when organising conferences in hotels.

Facilities

The provision of purpose built conference rooms was highly valued by the majority of respondents. Between 30-40% of all respondents felt that this facility was either Important or Very Important. However, with regard to purpose built syndicate rooms, it was evident that this was not so important.

Figure II.2

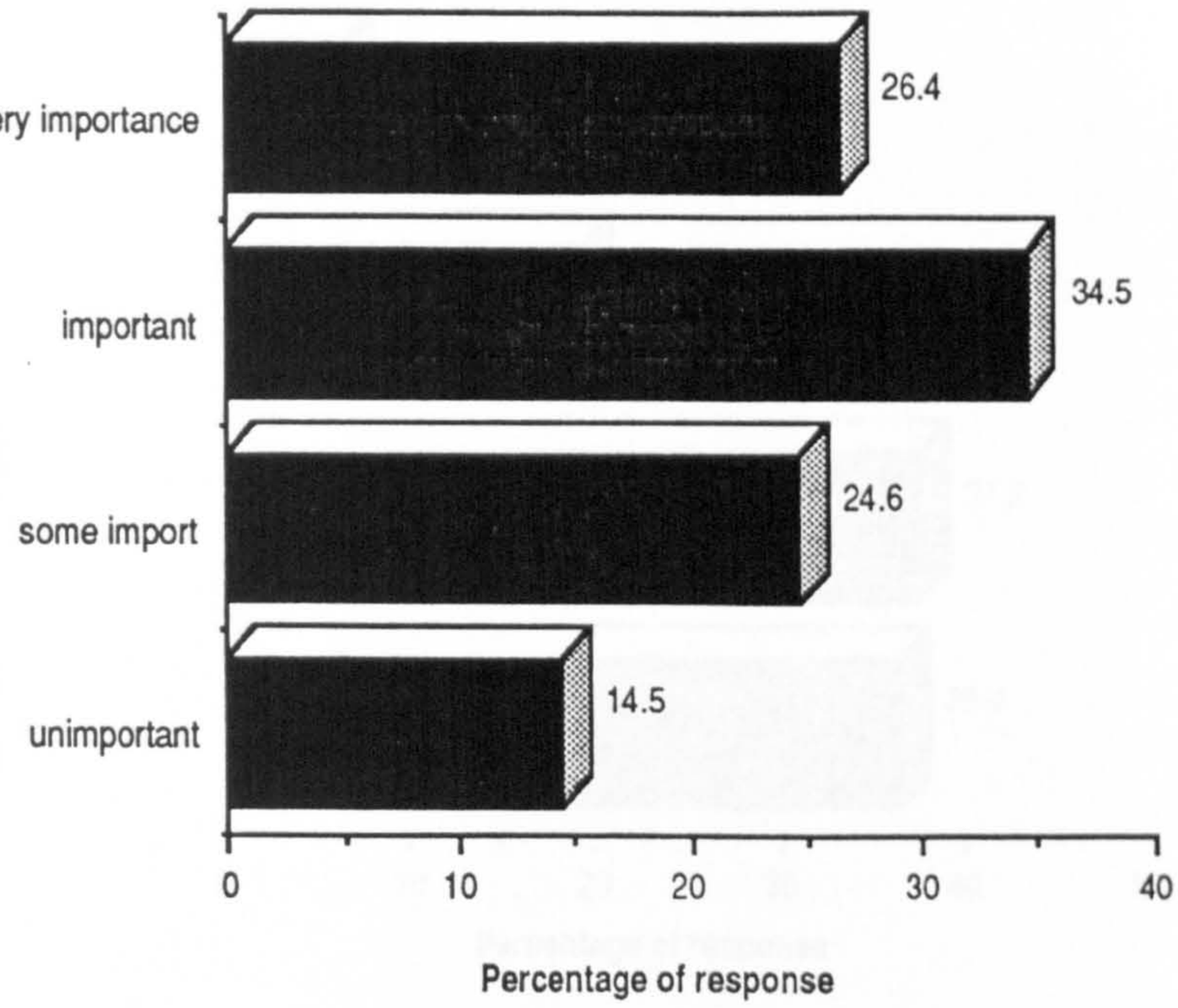


The availability of all conference rooms/amenities in the same area was also considered to be Very Important by 30% of respondents and important by over 40% with the value of good acoustics within the conference room being felt to be Very Important (54.2%) with 37% of respondents indicating it was Important.

Figure II.3

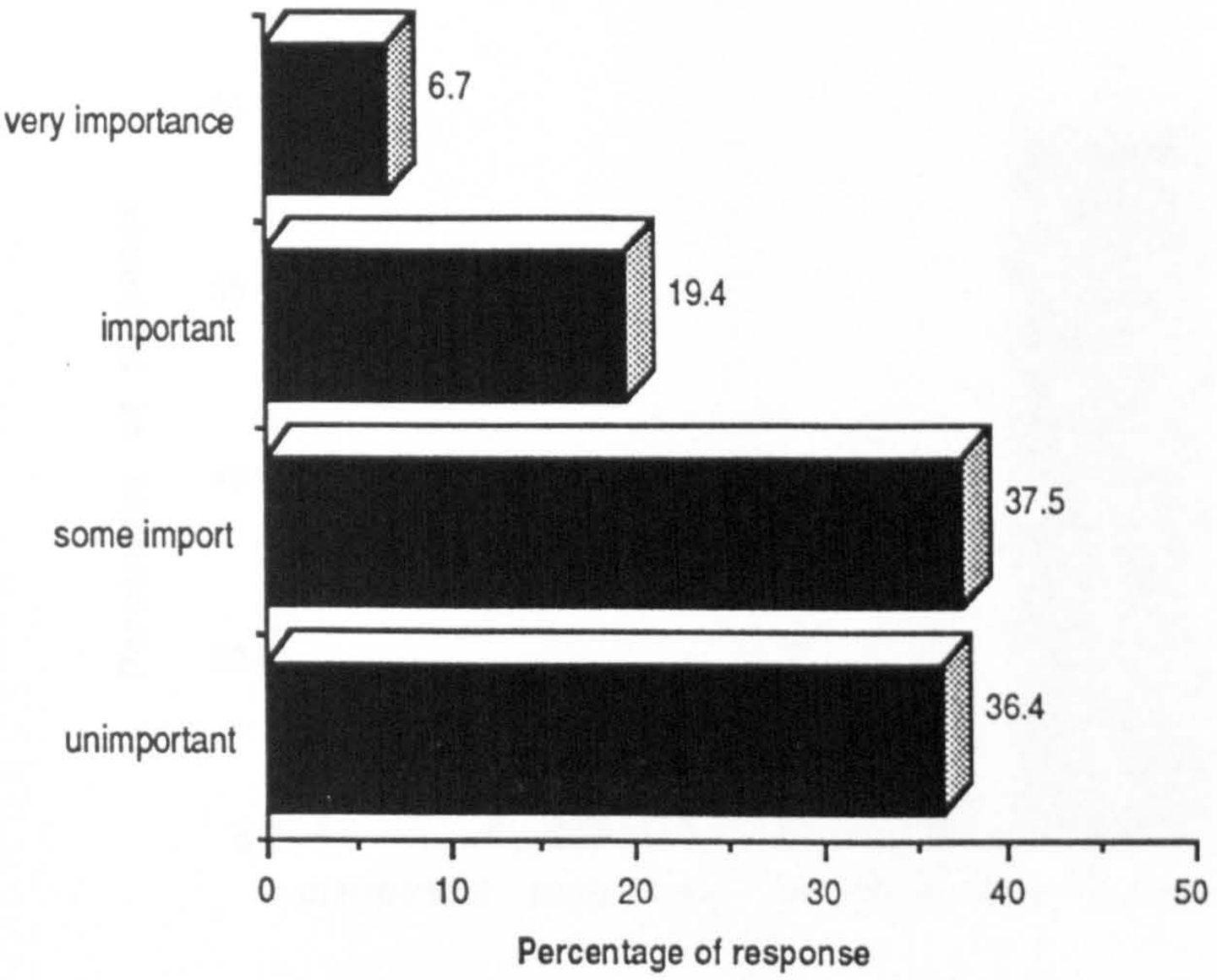
The provision of natural daylight in the conference room was also of value as were the availability of a selection of conference rooms.

Figure II.4 Natural Daylight



In respect of leisure facilities and swimming pools, respondents indicated that they considered their availability to be less significant. Over 30% of respondents indicated this provision to be unimportant and over 30% stated it to be of some importance. Less than 10% of respondents felt it to be Very Important. However, a car parking facility was definitely a high priority to most respondents.

Table II.5 Swimming Pool



No particular emphasis was placed on the importance of clear location signs within the hotel, or the availability of telex, fax or secretarial facilities.

In summary, it would seem that a large number of respondents valued highly, purpose built conference rooms and amenities within the same area which have the benefit of natural daylight, good acoustics and free parking but that leisure type facilities were not considered important by many people.

Other

As might have been expected, nearly 80% of respondents confirmed and emphasised that in their opinion, the provision of clean facilities and comfortable seating to be particularly important. However, it was stressed that comfortable accommodation with the conference and ancillary rooms being serviced during the day was also highly valued. (Approximately 60% of respondents felt these points to be Very Important).

Figure II.6 Cleanliness of Facilities

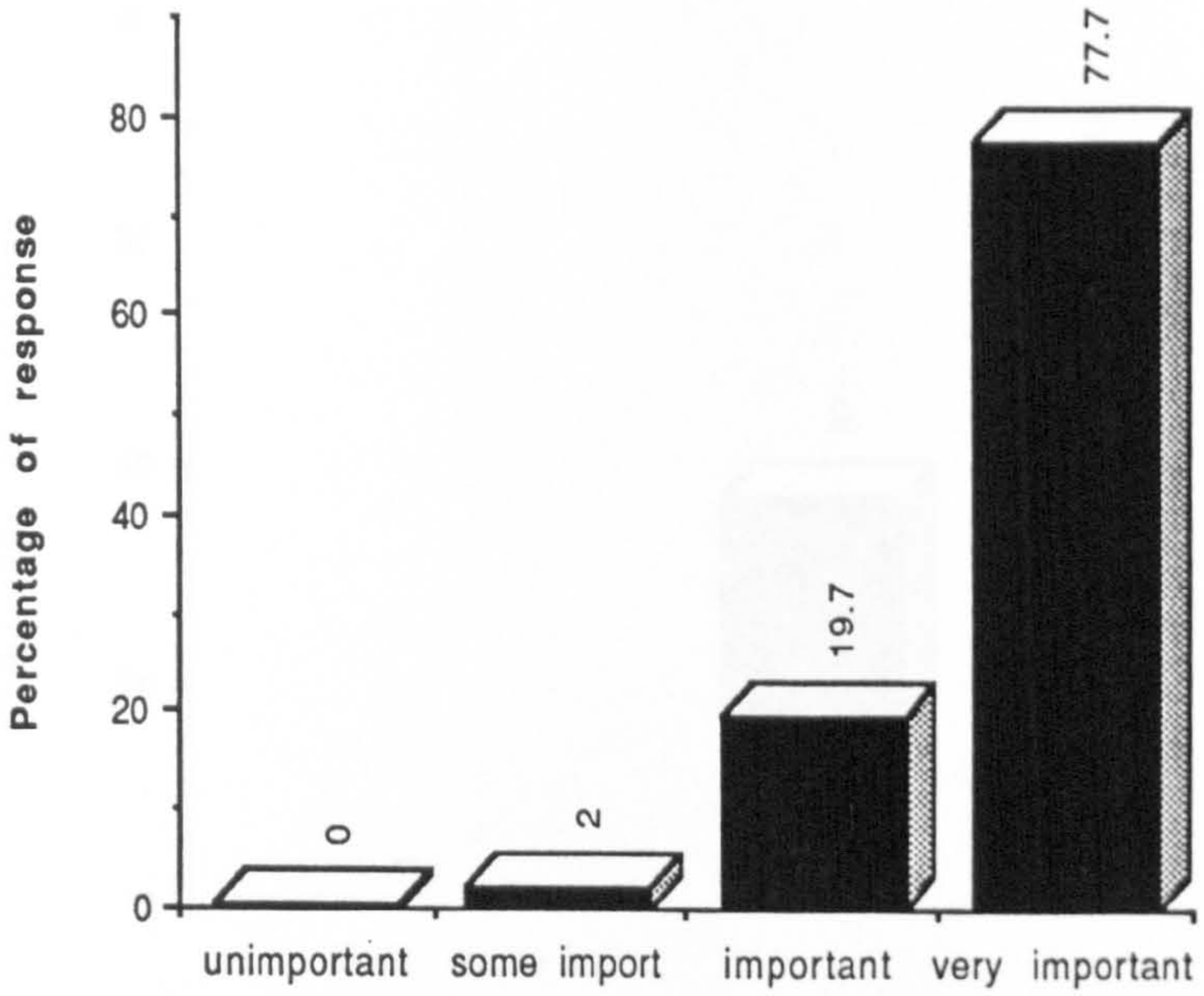


Figure II.7 Comfortable Seating

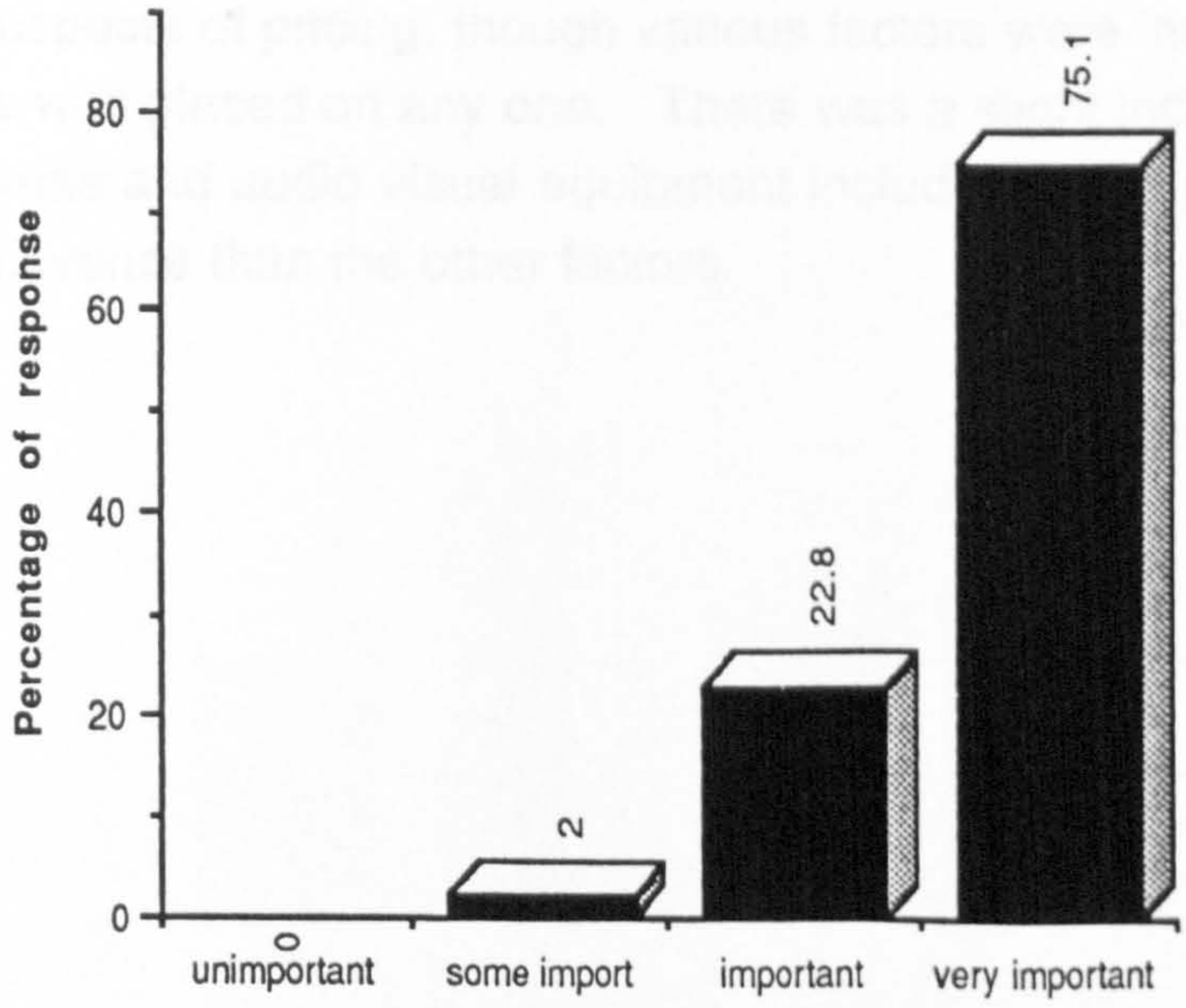
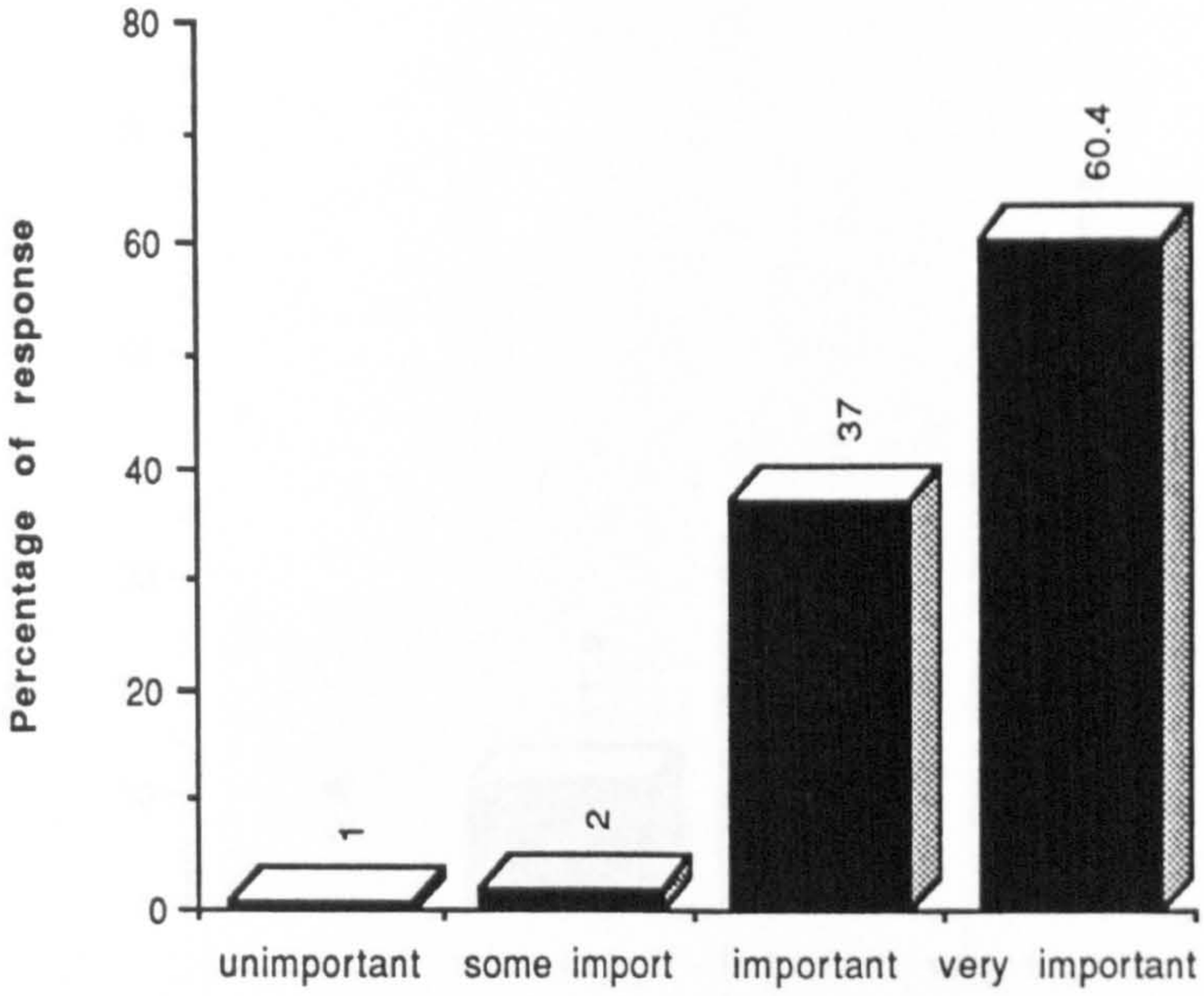


Figure II.8 Accommodation



Pricing

Competitive rates for the use of conference facilities was considered Very Important by over 50% of respondents when selecting conference venues. In all other aspects of pricing, though various factors were important no particular emphasis was placed on any one. There was a slight indication that refreshments and audio visual equipment included in the price was considered of less relevance than the other factors.

Figure II.9 Competitive Rates

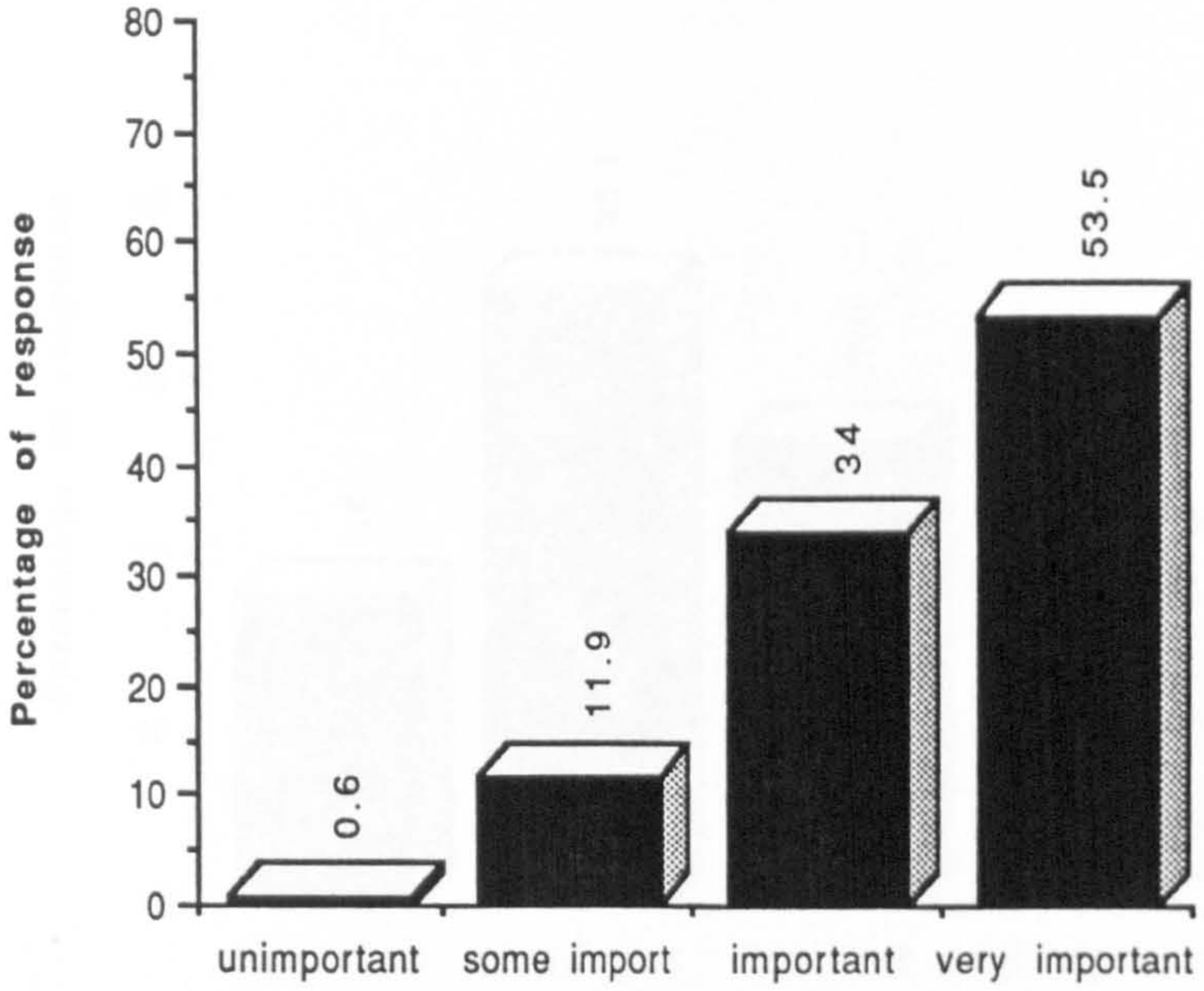


Figure II.10 Refreshments Included in Price

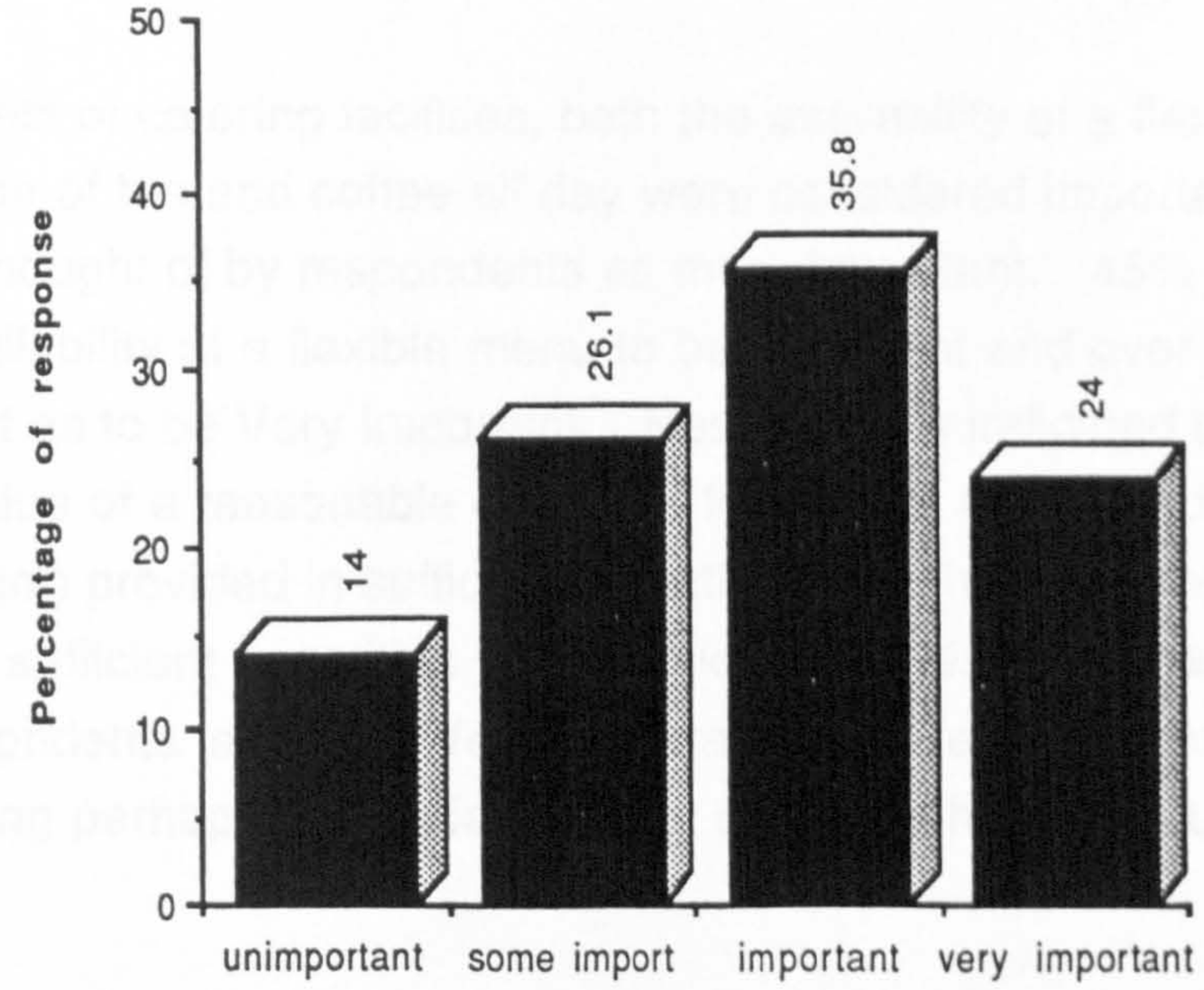
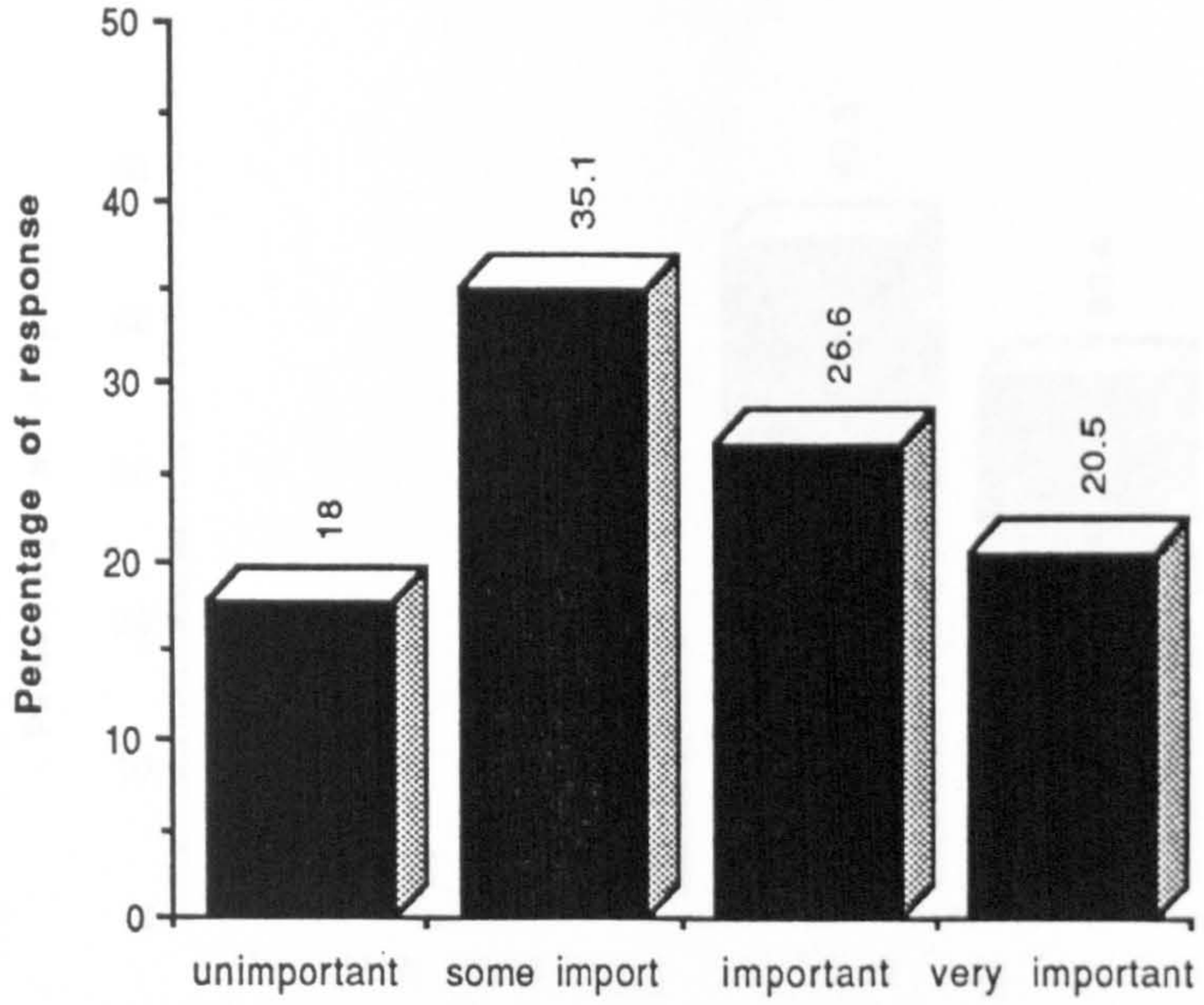


Figure II.11 Audio Visual Equipment Included in Price



Companies within the Times Top 1000 might not be price sensitive and this could explain why there is no major reaction to this question.

Catering

In respect of catering facilities, both the availability of a flexible menu and the provision of tea and coffee all day were considered important, with the former being thought of by respondents as more important. 45% of respondents felt the availability of a flexible menu to be important and over 30% of respondents stated it as to be Very Important. Respondents indicated the significance and high value of a reasonable quality of food (70% responded that this was Very Important) provided in sufficient quantities. In this instance the provision of food in sufficient quantities was considered of less importance (just under 40% of respondents felt it was Very Important and over 40% that it was Important), indicating perhaps the preference for quality rather than quantity.

Figure II.12 Flexible Menu

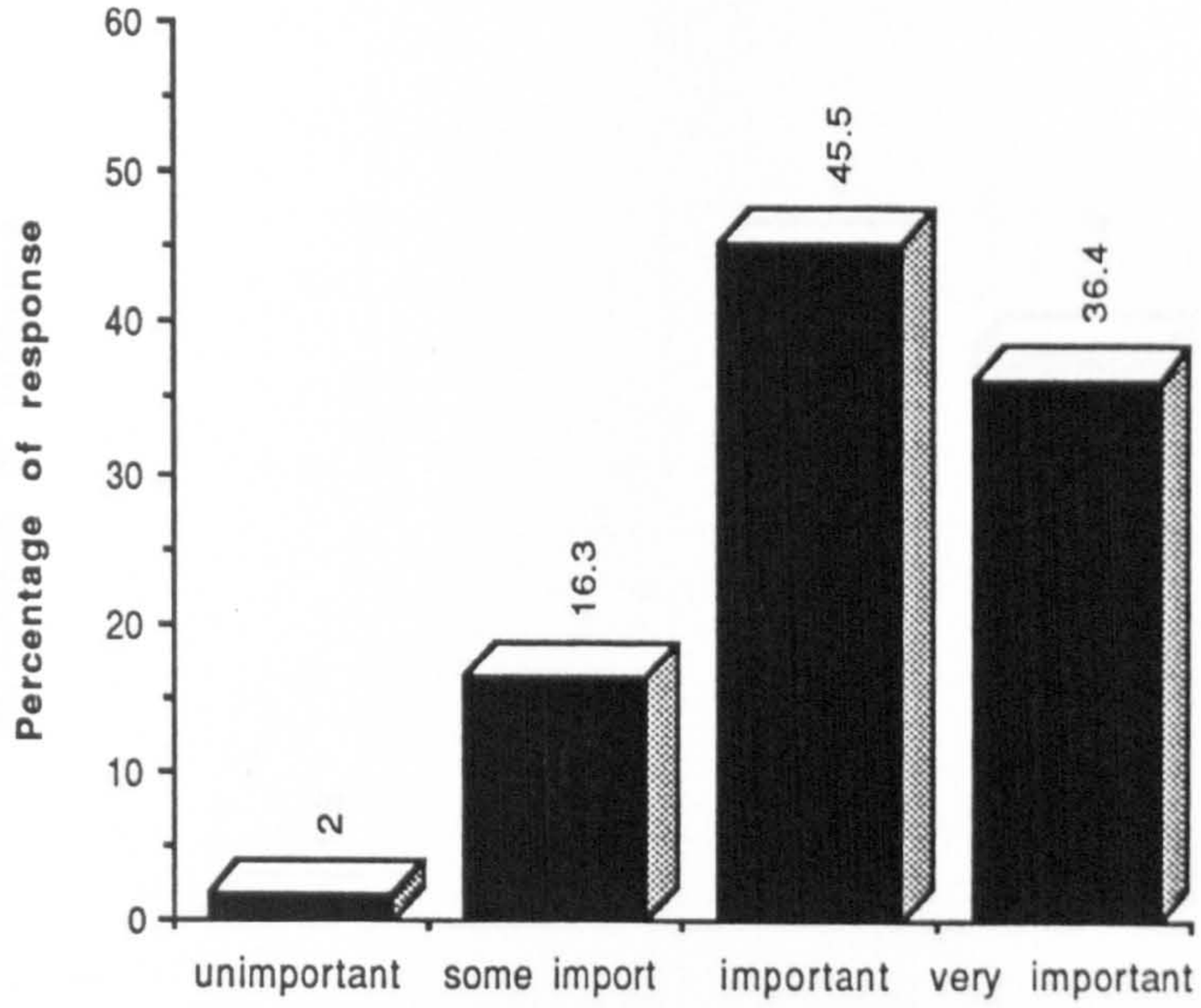


Figure II.13 Quality

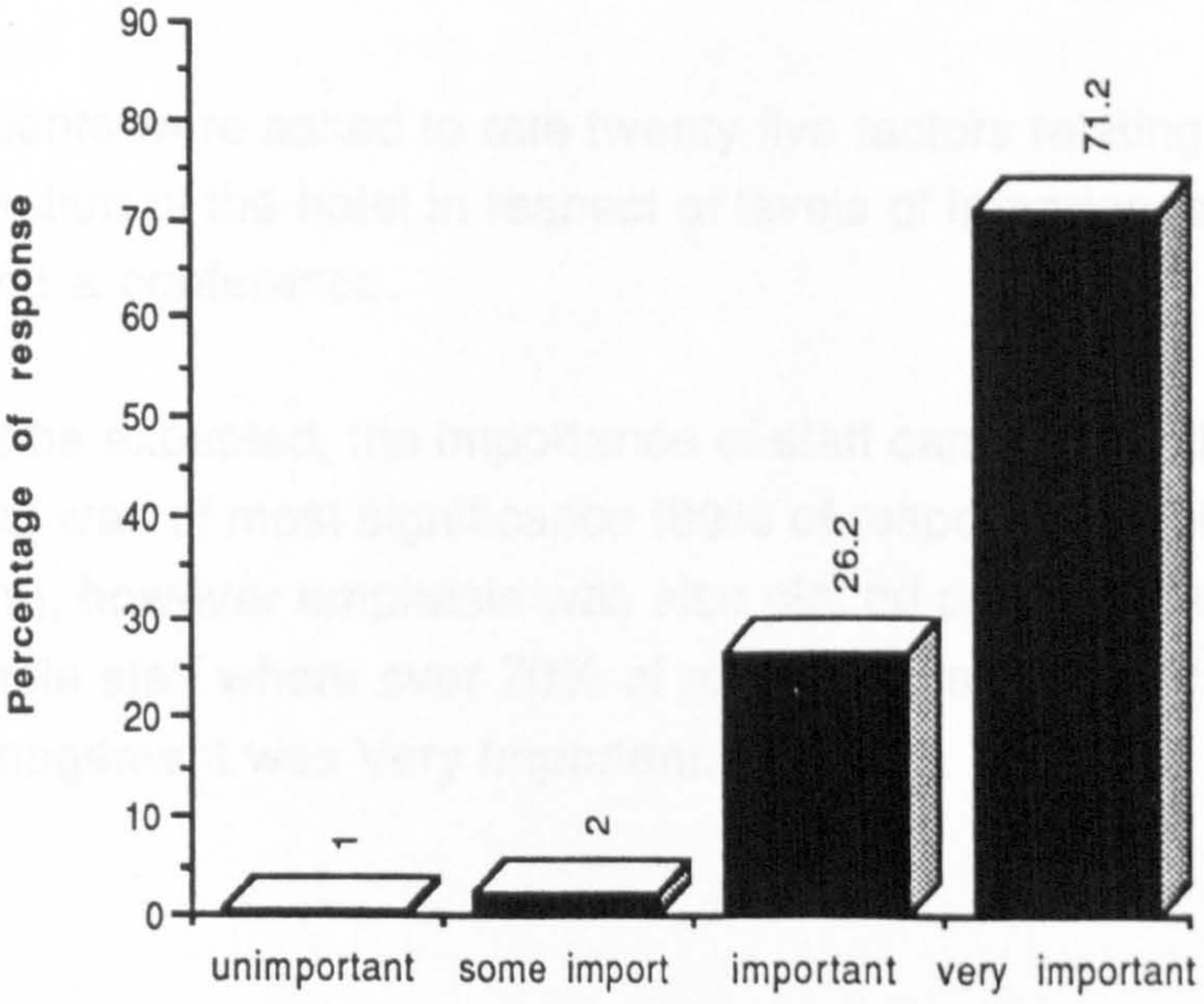
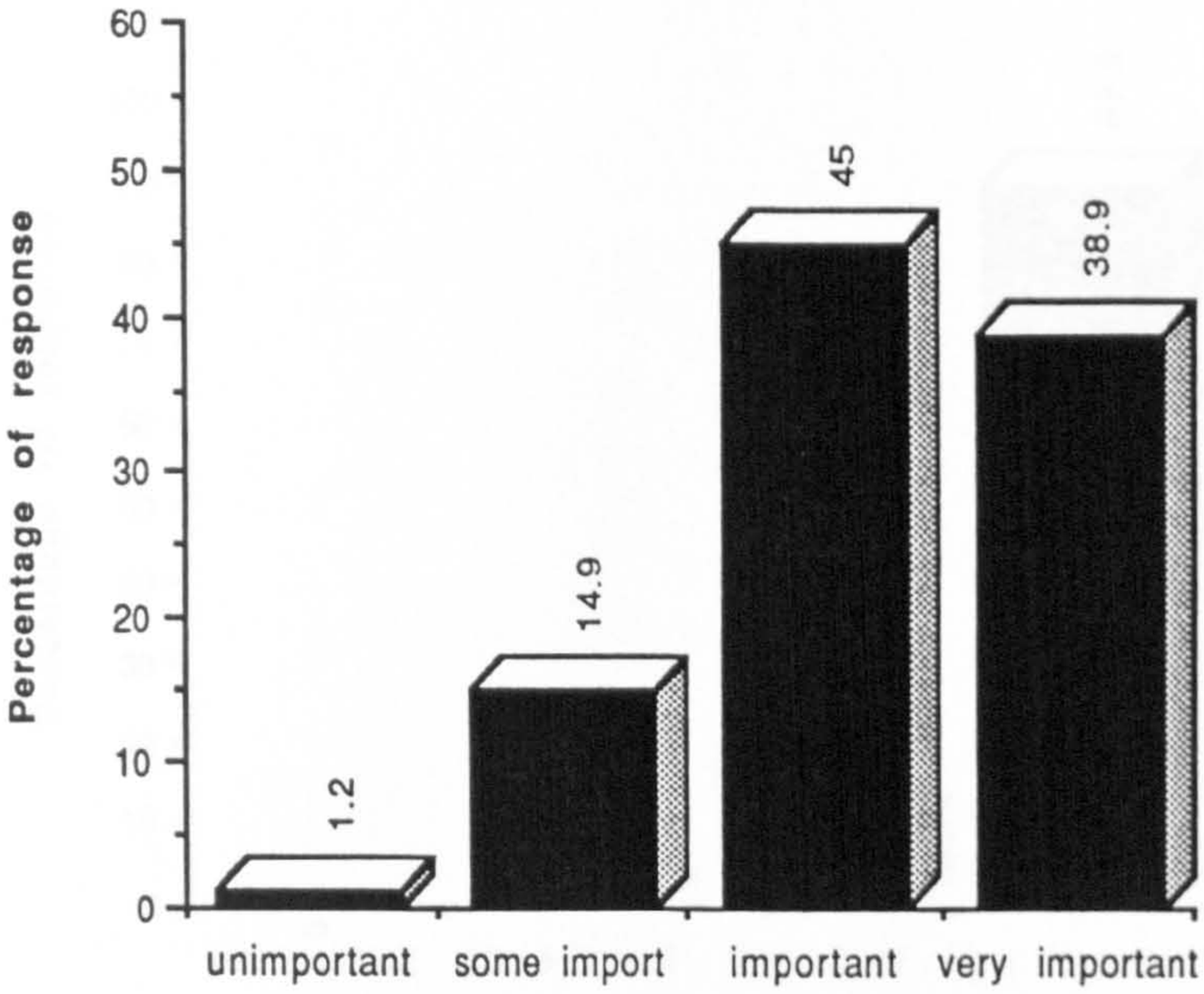


Figure II.14 Quantity



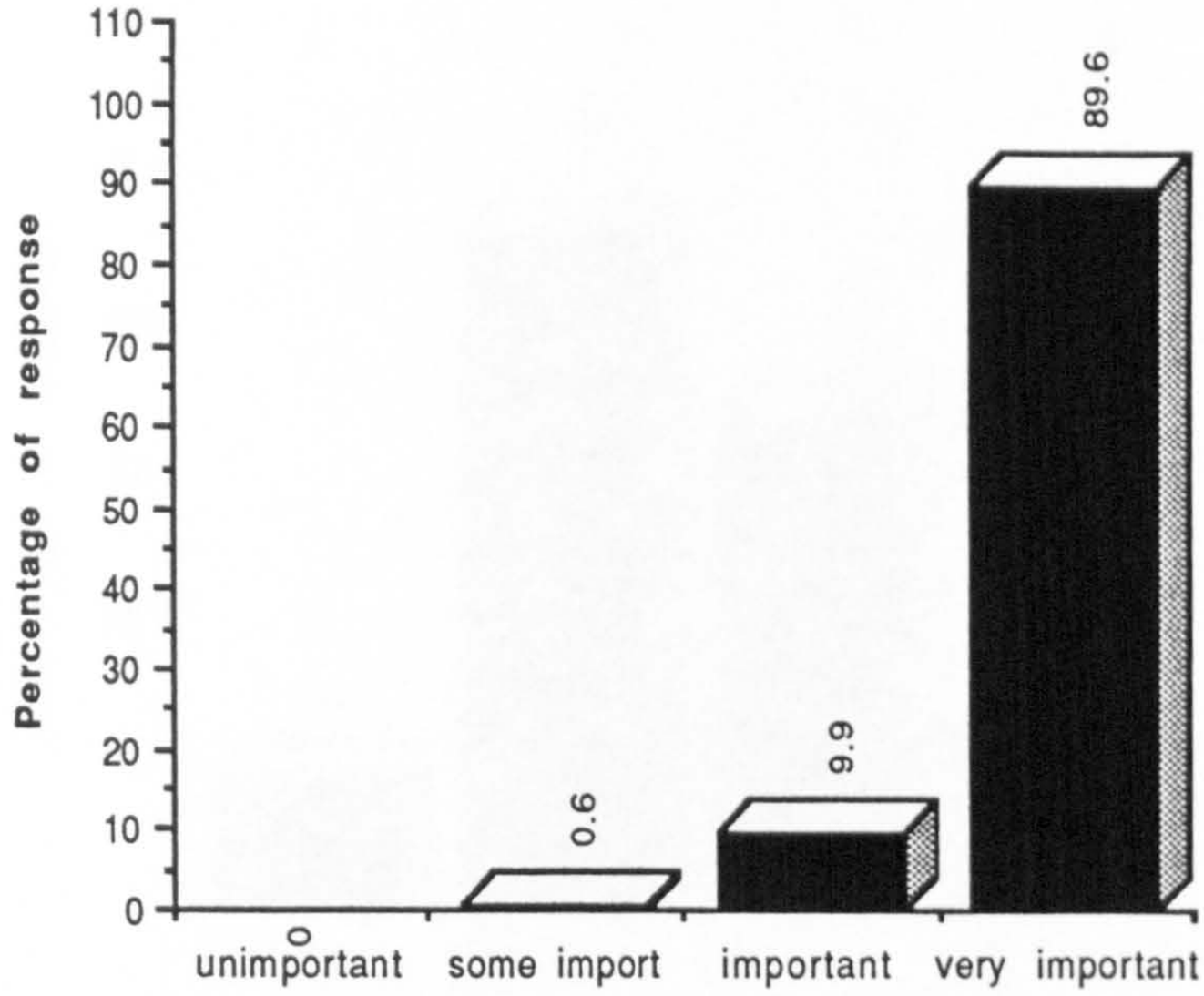
The majority of those replying (over 50%) felt it was Unimportant to have a specific meeting with the chef.

Management and Operation of Conference Hotels

Respondents were asked to rate twenty five factors relating to the management and operation of the hotel in respect of levels of importance to them when organising a conference.

As might be expected, the importance of staff carrying out the arrangements as requested was of most significance (89% of respondents felt it to be Very Important), however emphasis was also placed on the high value of competent, dependable staff where over 70% of respondents indicated that this aspect of staff management was Very Important.

Figure II.15 Staff Carrying Out Arrangments as Requested



The character and ambiance of the hotel was not highly regarded by conference organisers. Over 40% of respondents felt that character was of Some Importance and nearly 50% of respondents replied that ambiance was Important. However a hotel that offered value for money was emphasised as important (40% response for Very Important and Important).

Figure II.16 Character

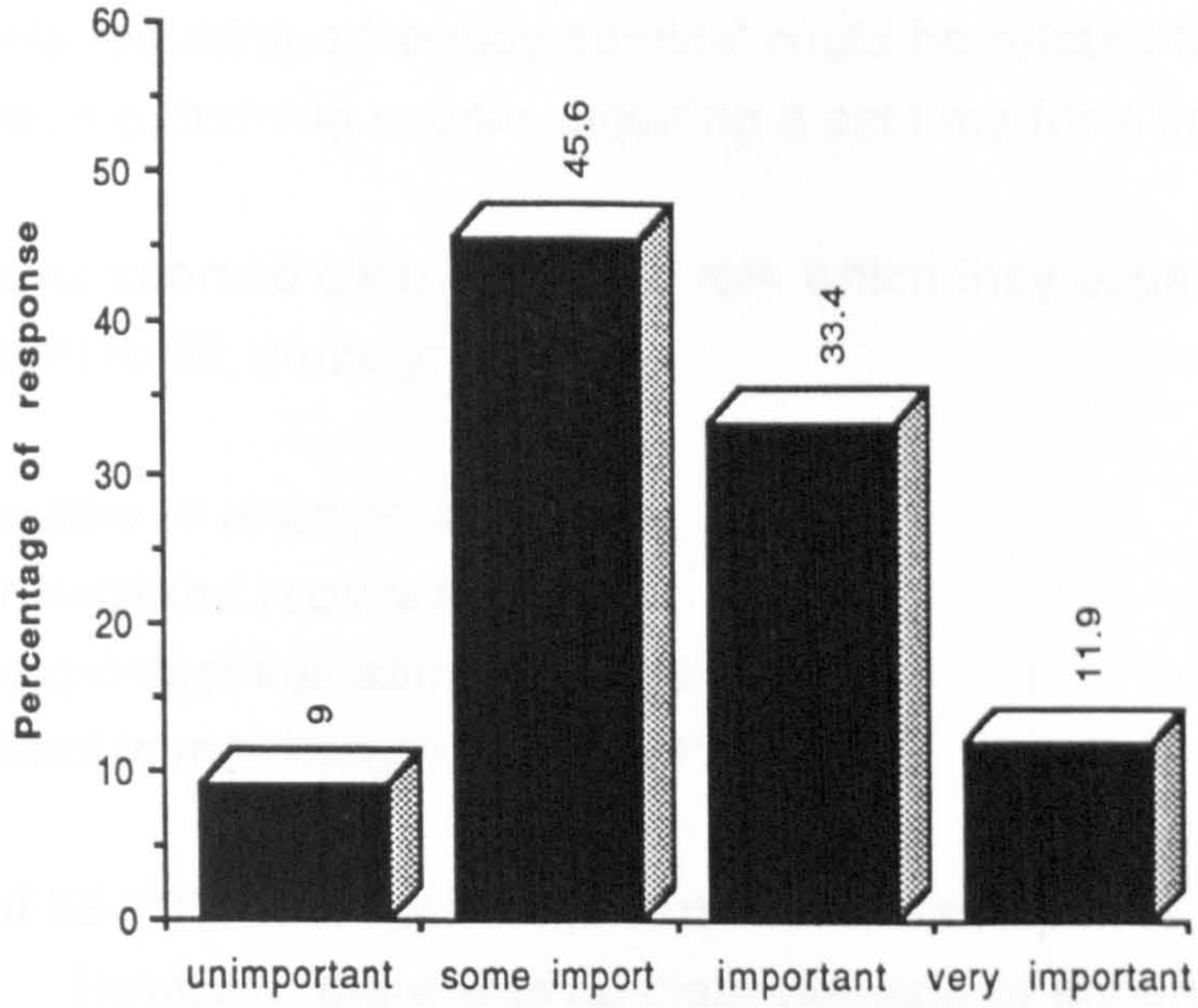
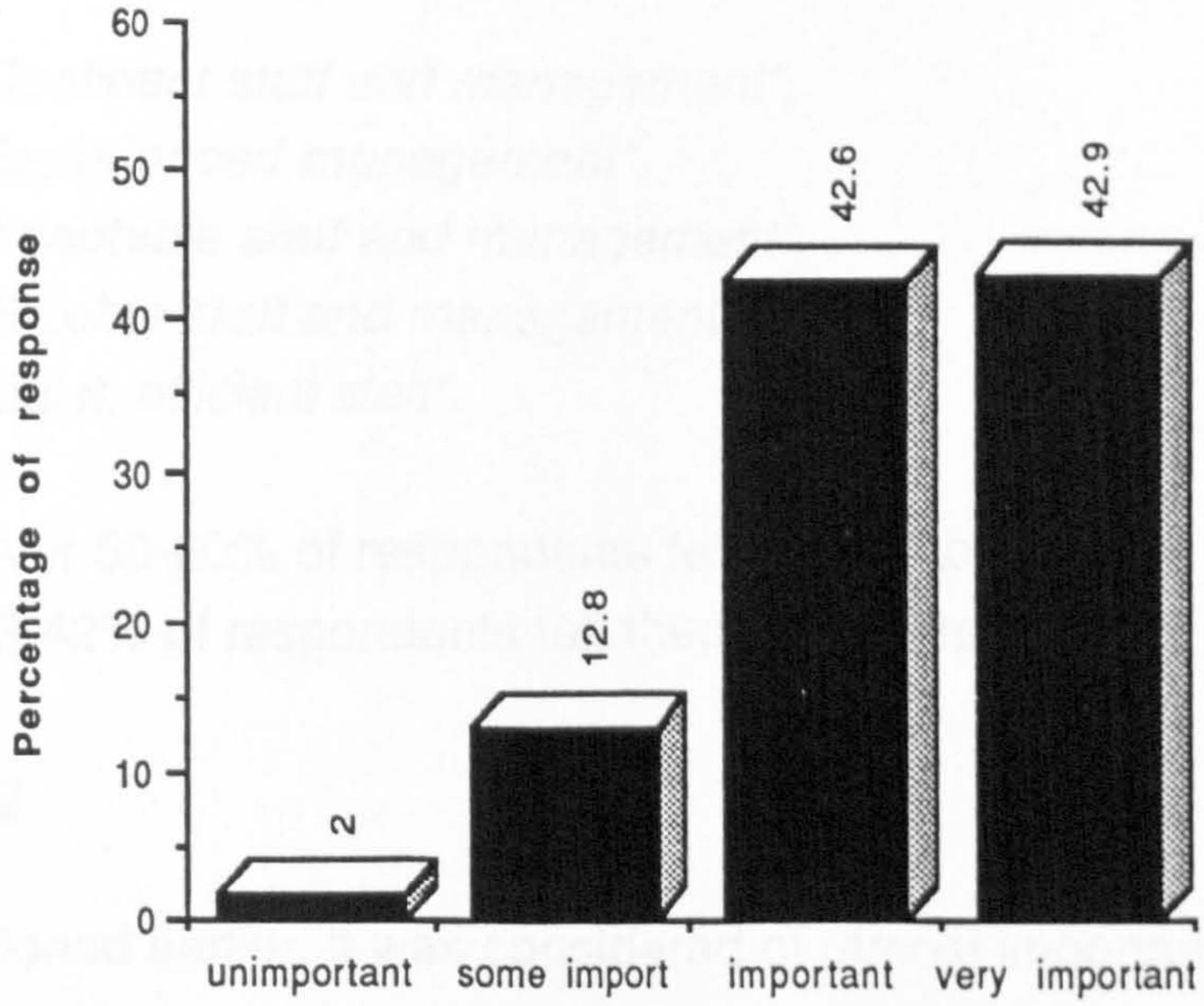


Figure II.17 Value



Speed of service by staff during the conference was felt to be very valuable over 70% of respondents indicated that this was Very Important.

Further analysis and correlation of the data obtained may indicate that those respondents requiring a 'speedy service' could be related to the type of conference, e.g. training course requiring a set time for a lunch break.

Respondents seemed clear about the role which they expected staff and management to fill, namely:

"Be able to react positively",
"Understand requirements",
"Be professional about arrangements",
"React immediately to requests".

A range of 68-72% of respondents stated that these points were Very Important. However, there was no clear demand or importance placed on the Conference Organiser having a personal introduction to the hotel manager or conference manager.

There appeared to be varying views in that respondents differed in their opinions of the qualities management and staff needed to possess to fulfil their roles most effectively. This point is indicated in the percentage spread of responses to the statements below:

"Confident staff and management",
"Experienced management",
"Adaptable staff and management",
"Flexible staff and management",
"Quiet, efficient staff".

Where over 50-60% of respondents felt these factors to be Very Important and where 33-42% of respondents felt them to be Important.

Staffing

As mentioned earlier, it was considered of utmost importance that hotel staff involved in the arrangements and organisation were:

"Competent",
"Dependable".

Over 60% of respondents indicated that it was Very Important for staff to be helpful. In excess of 50% of respondents indicated that they wanted staff to be polite, pleasant and well mannered.

An emphasis on staff being:

"Unobtrusive",
"Attentive",
"Enthusiastic",
"Smiling and friendly",

was indicated, where over 40% of respondents felt these qualities to be Very Important and a further 40% stated that they felt them to be Important characteristics.

What was the last type of meeting/conference you organised in a hotel?

Table II.3

Type	Percentage
Other	9.3%
Incentive Travel	0.3%
Entertainment	2.6%
Press conference	2.9%
Consultancy	0.3%
Exchange of business	16.9%
Sales launch	5.5%
Sales meeting	18.6%
External training course	3.5%
Staff training	9.0%
Management training	31.1%

As indicated in the table overleaf, the majority of the last meeting/conferences organised was in the area of management/staff training (Approximately 40%). This was followed by sales meetings (over 18%), exchange of business information (17%) and sales launches (6%). The information obtained in this section correlates to the breakdown of job positions of respondents to the questionnaire where 39% of respondents were from the personnel/training function.

Who attended the last conference/meeting you organised?

83% of attendants at the last conference organised were company employees, this again is synonymous with the type of meeting organised.

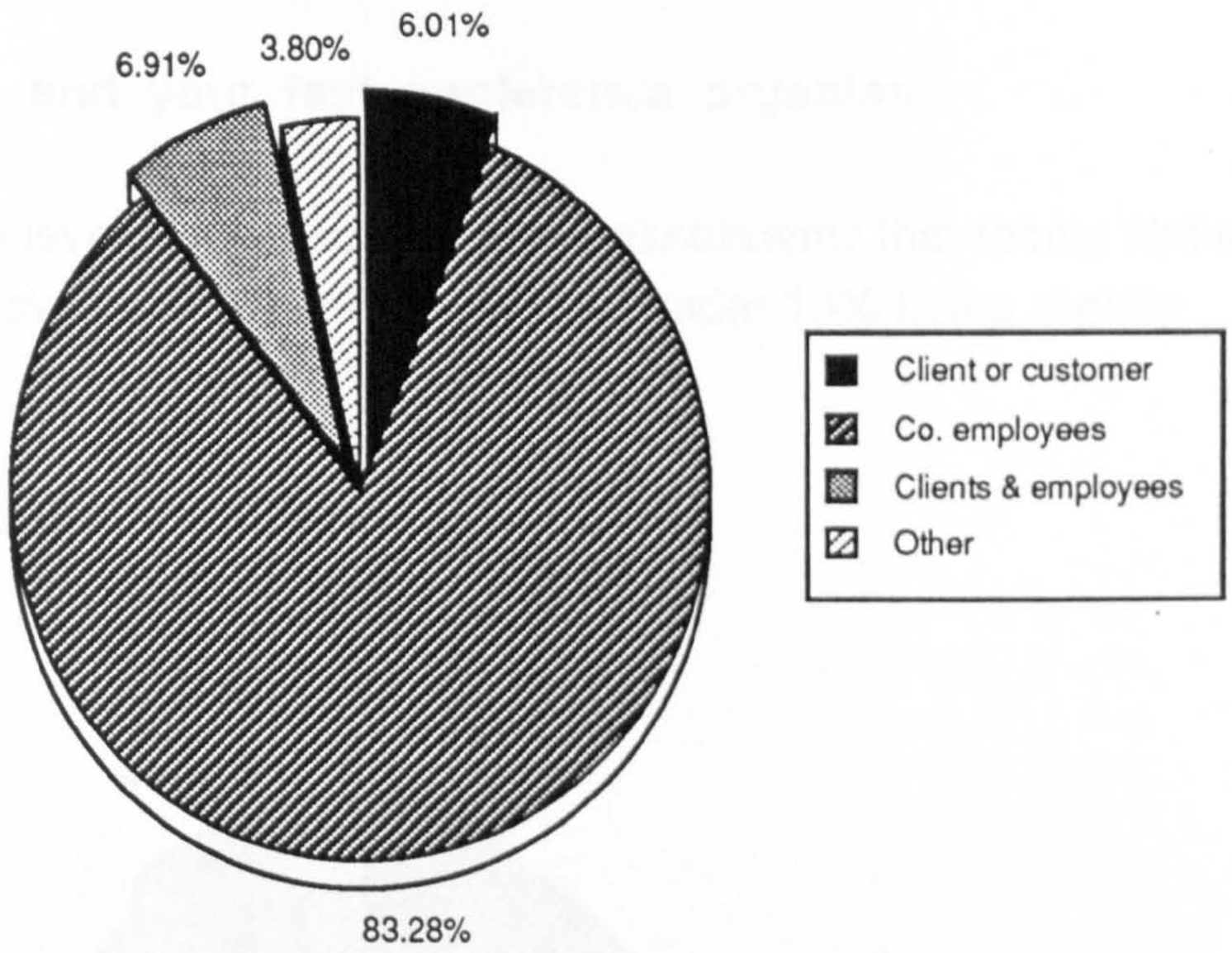


Figure II.18 How Many Delegates Attended the Meeting

No. Delegates	Percentage
> 501	1.2%
401-500	0.3%
301-400	0.9%
201-300	2.6%
151-200	4.1%
101-150	7.5%
75-100	8.7%
50-74	11.3%
25-49	21.2%
15-24	24.6%
<14	17.7%

The table above outlines a range of 'under 14' to 'over 500', the number of delegates attending the last meeting/conference organised by the respondent. A normal distribution was not apparent with the sample "skewing" to the lower

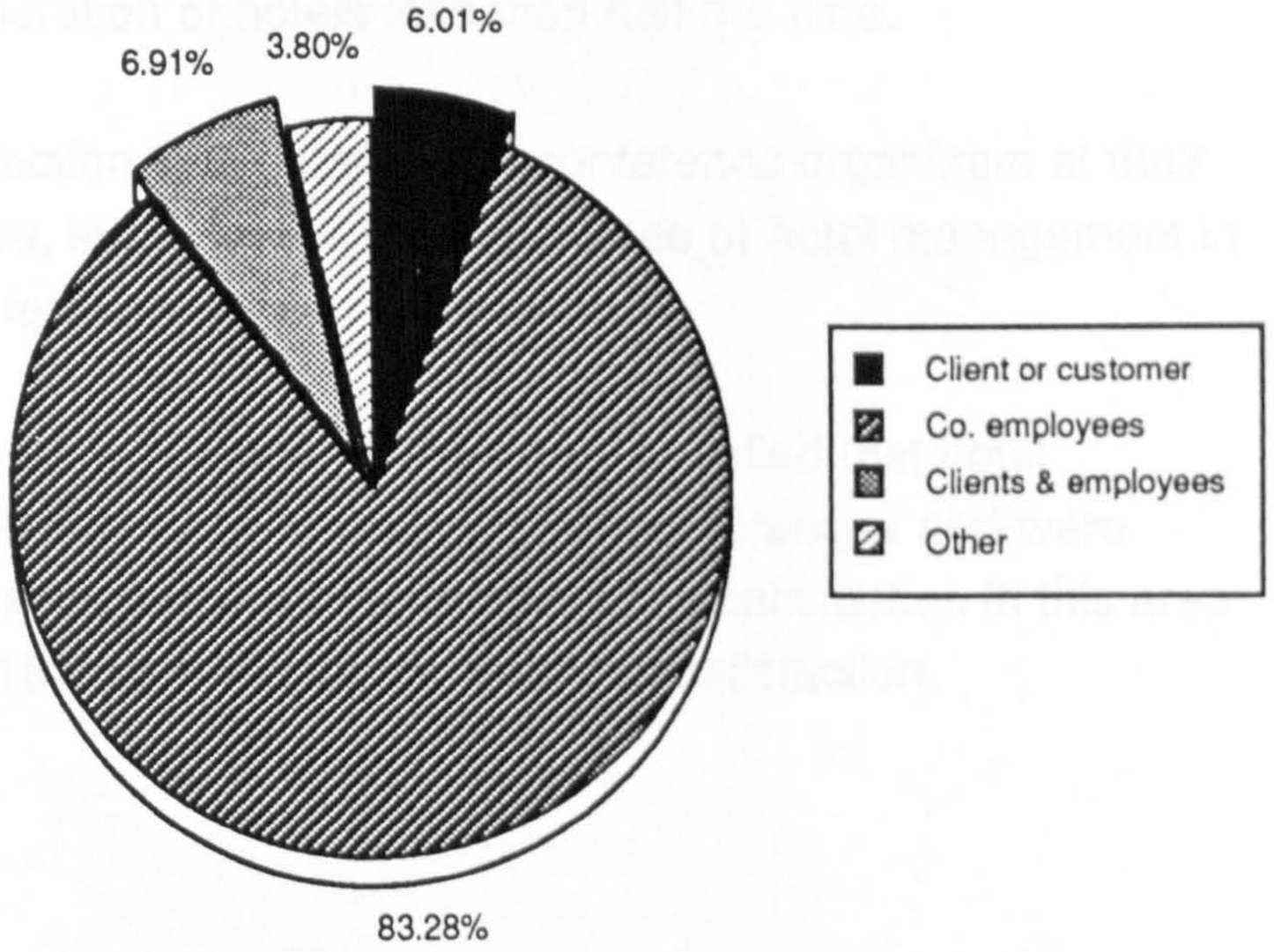
quartiles, i.e. 15-50 delegates. There was a predominance of meetings in the 15-24 delegate range. Very few conferences were held where the number of delegates attending were above 300.

The remaining questions were devised to obtain data on the level of satisfaction provided by the conference hotel in respect of the organisation of the respondents last conference/meeting.

Conference Hotel and your last conference organised

There was a definite level of satisfaction felt by respondents that rooms had en-suite facilities, television, etc. (over 60% with just under 15% being slightly satisfied).

Figure II.19 En-Suite Facilities



In respect of all inclusive prices, slightly lower levels of satisfaction were felt in respect of the :

"Conference room being included in the price"

(just over 50% were Satisfied, just under 20% Slightly Satisfied, with 10% of respondents having "no opinion").

As to:

"Refreshments included in the price" and
"Basic equipment included in the price"

respondents indicated no real level of satisfaction or dissatisfaction except that 20-27% of respondents indicated a level of dissatisfaction.

As stated previously, the sample companies may not be price sensitive, hence why there is no major reaction to these questions. A majority response of over 50% of respondents felt that they were only slightly satisfied with the comfort of the seating provided.

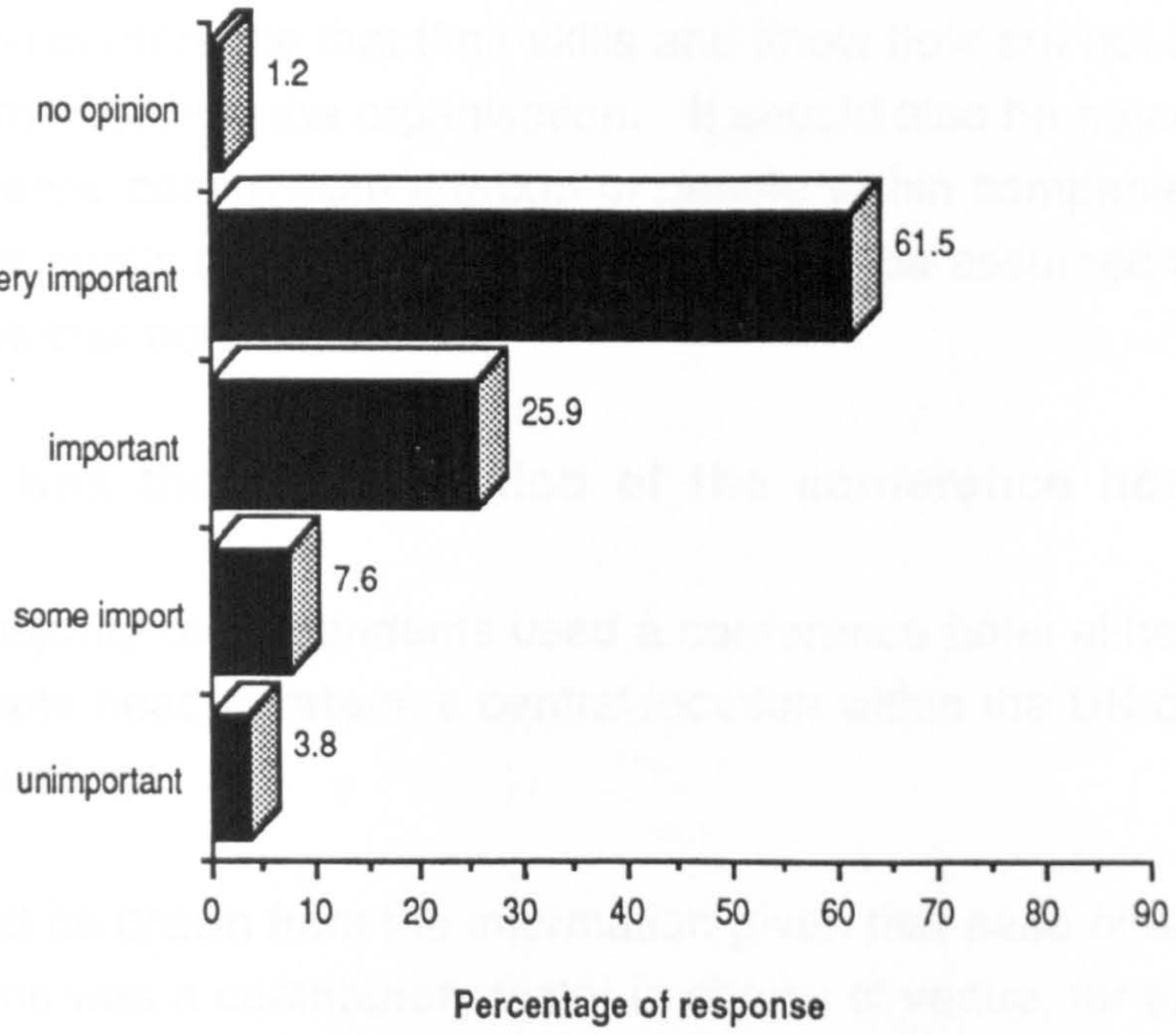
Management and operation of conference hotel at your last conference organised

Overall respondents indicated that they were fully satisfied with the management and operation of hotels less than half the time.

A high level of satisfaction was obtained by conference organisers at their actual last conference, in respect of the experience of hotel management in dealing with the conference.

50-60% of respondents indicated that they were satisfied that hotel management were experienced in dealing with conferences and were professional in their arrangements. The level of dissatisfaction in this area was low, maximum 15% of respondents stated dissatisfaction.

Figure II.20 Management Experienced



Less than 40% of respondents indicated that they were fully satisfied with the value for money that the hotel provided.

In respect of staffing, approximately half the respondents stated that they were satisfied that staff were:

> *"Pleasant and helpful",*
> *"Competent in dealing with the conference",*
> *"Polite and friendly".*

A further 30% replied that they felt only Slightly Satisfied with this aspect of service.

Lower levels of satisfaction (38-45% of respondents being satisfied) were found in respect of:

> *"Staff reacting immediately to requests",*
> *"Depending on staff to get things done",*
> *"Hotel staff providing everything that was required".*

It was noted that up to 20% of respondents in some of these areas indicated levels of dissatisfaction.

The indications are that despite having appointed competent managers to deal with the conference that their skills and know how are not being transmitted to other members in the organisation. It should also be noted that this experience comes from a group of people within companies who are predominantly using four star hotels. It may be assumed that their experience in three star hotels is worse.

What was the main location of the conference hotel you used?

The majority of respondents used a conference hotel either near their corporate head quarters, a central location within the UK or in quiet surroundings.

It could be drawn from the information given that ease of access to transport systems was a contributory factor in choice of venue, for example, approximately 8% of respondents each selected venues near airports, motorways or in London.

Table II.4

Location	Percentage
Near airport	8.8%
Other	2.0%
Near recreation	2.6%
Quiet surroundings	13.7%
Seaside	6.1%
Other city than own	4.1%
Near motorway	8.2%
Central location	15.8%
In London	8.5%
Near London	4.7%
Near production plant	5.6%
Near corporate HQ	19.9%

What was the 'star' or 'crown' rating of the hotel?

Delegates were asked to identify what was either the Crown or Star rating of the hotel they used for their conference. No respondents utilised the Crown rating system. The majority of respondents held their conference in a 4 star hotel (46% with 23% using a 3 star hotel).

It is perhaps pertinent to comment that for this question 17% of respondents did not complete the question, indicating perhaps that they were not aware of the Crown or Star rating of the hotel they had utilised.

Was the conference a day conference of residential?

Approximately two thirds of respondents had held a residential conference (64%) and 34% a day conference.

Conclusions

Summary correlation of factors important to conference organisers when organising a conference and the actual provision by the conference hotel.

Over 70% of respondents indicated that "competent staff" was of significant importance to them when organising a conference in a hotel. However, only 50% of respondents replied that they had been Satisfied and only 32% Slightly Satisfied with this aspect of service quality.

The same was apparent in respect of:-

"Dependable staff"

which was considered Very Important (over 70%), however, in its implementation only approximately 40% of respondents were satisfied with this aspect of the service and only 36% slightly satisfied.

In respect of:-

"Immediate reaction to a request from you, by staff and management"

over 70% of respondents indicated that this was Very Important to them when organising a conference in a hotel. In actual levels of satisfaction in this area

only 39% of respondents replied that they were satisfied and well over 20% indicated definite levels of dissatisfaction.
Respondents found in relation to the attributes of staff in respect of politeness, friendliness and being pleasant (range of 42-57%) of respondents considered these factors to be Very Important that at the last actual conference held, they experienced reactions by staff on par with their requirements. Over 52% were satisfied that staff were polite and friendly and 35% Slightly Satisfied.

Respondents clearly indicated the great value and importance they placed on:-

"Staff carrying out arrangements as requested"

(89% considered this to be Very Important). However, in its actual implementation, respondents did not seem so clearly satisfied.

"Hotel staff provided everything that was required"
"Staff was competent in dealing without conference"

only 45-50% of respondents indicated that they were actually satisfied with this level of service.

The expectation of the experience of conference hotel management in dealing with the conference appeared to be met in the actual management and operation of the conference, where 60% of respondents stated they were satisfied.

APPENDIX III

GENERAL INSTRUCTIONS

This study is interested in the meeting or conference facilities provided to companies by hotels within the United Kingdom. When completing the questionnaire please consider a conference as a meeting of 10 to 500 delegates, using meeting or conference facilities within a U.K. hotel.

For your information a conference or meeting might include such activities as sales meetings, business meetings, seminars, training courses, product launches, etc.

ALL INFORMATION RECEIVED WILL BE TREATED AS CONFIDENTIAL

This questionnaire is divided into threee sections and will take approximately 12 minutes to complete

a. Does your company hold meetings outside its own premises ?

b. Does your company utilise meeting/conference facilities within hotels ?

If your answer to question b. is YES, please continue to SECTION ONE
If your answer to question b. is NO, please return this questionnaire in the enclosed envelope

THANK YOU FOR YOUR CO-OPERATION

Please return the questionnaire in the enclosed self-addressed envelope to:
U. Oberoi, Research, Dorset Institute, POOLE, Dorset BH12 5BB.
Tel: 0202-524111 Ext. 5374

August, 1987.

SECTION ONE
Background information

Q1. What is the nature of your company ?
Please circle one appropriate number from the Standard Industrial Classification list.

1. Agriculture, Forestry and Fishing.
2. Energy and Water Supply Industries
3. Extraction of Minerals and Ores other than Fuels Manufacture of Metals, Mineral Products and Chemicals
4. Metal Goods, Engineering and Vehicle Industries.
5. Other Manufacturing Industries
6. Construction
7. Distribution: Hotels and Catering: Repairs
8. Transport and Communications
9. Banking, Finance, Insurance, Business: Services and Leasing
10. Other Services

Q2. What is your position within the company ? Please circle one appropriate number

1. Sales Director/Manager
2. Marketing Director/Manager
3. Head of Travel Service
4. Commercial Development Director
5. Seminar/Conference Co-Ordinator
6. Secretary to Sales Director/Manager
7. Secretary to Marketing Director/Manager
8. Training Executive
9. Personnel Director/Manager
10. Publicity Director Manager

Q3. How many people does your company employ ? Please circle one category.

<200	200-500	500-750	750-1000	1000-5000	5000-10,000	>10,000
1	2	3	4	5	6	7

SECTION TWO
*This section deals **firstly** with the Conference Hotels, and **secondly** with the Management and Operations of conference hotels*

Q4 Conference Hotels
Please rate the following on levels of importance to you when organising conferences in hotels.
Use the scale below where :
1 = UNIMPORTANT 2 = SOME IMPORTANCE 3 = IMPORTANT 4 = VERY IMPORTANT

Please insert your answers in the boxes provided throughout this section

FACILITIES

F1 ☐ Purpose built conference rooms
F2 ☐ Purpose built syndicate rooms
F3 ☐ All conference rooms/amenities in same area
F4 ☐ Good acoustics in conference room
F5 ☐ Natural daylight in conference room
F6 ☐ Selection of conference rooms
F7 ☐ Clear location signs within hotel
F8 ☐ Swimming pool/leisure facilities
F9 ☐ Car parking/Good free parking
F10 ☐ Telex/Fax facilities/Secretarial facilities

OTHER

01 ☐ Cleanliness of facilities
02 ☐ Comfortable seating
03 ☐ Comfortable accomodation
04 ☐ Ashtrays, cups etc., cleared away throughout the day
05 ☐ Standard of décor, carpeting, decoration and furniture
06 ☐ Business class standard in bedrooms

PRICING

- P1 ☐ Competitive rates
- P2 ☐ Room hire included in the price
- P3 ☐ Willingness to negotiate tariff/rate
- P4 ☐ Discount for large number of delegates
- P5 ☐ Refreshments included
- P6 ☐ Audiovisual equipment included
- P7 ☐ Basic equipment included

CATERING

- C1 ☐ Flexible menu
- C2 ☐ Tea/coffee available all day
- C3 ☐ Meeting with the chef
- C4 ☐ Flexible meal times
- C5 ☐ Sufficient quantity of food
- C6 ☐ Reasonable quality of food

Q5. Management and Operations of conference hotels

Please rate the following on levels of importance to you when organising a conferences in a hotel.
Use the scale below where :

1 = UNIMPORTANT 2 = SOME IMPORTANCE 3 = IMPORTANT 4 = VERY IMPORTANT

- M1 ☐ Confident staff and management
- M2 ☐ Experienced management
- M3 ☐ Staff and management who are adaptable
- M4 ☐ Staff carrying out arrangements as requested
- M5 ☐ Flexible staff and management
- M6 ☐ Conference hotel with character
- M7 ☐ Hotel which offers value for money
- M8 ☐ Ambiance within the conference hotel
- M9 ☐ Smiling and friendly staff
- M10 ☐ Quiet efficiency of staff
- M11 ☐ Competent staff
- M12 ☐ Dependable staff
- M13 ☐ Unobtrusive staff
- M14 ☐ Attentive staff
- M15 ☐ Enthusiastic staff
- M16 ☐ Polite staff
- M17 ☐ Speedy service
- M18 ☐ Pleasant staff
- M19 ☐ Helpful staff
- M20 ☐ Well mannered staff
- M21 ☐ Ability to react positively by staff and management
- M22 ☐ Staff and management who understand your requirements
- M23 ☐ Personal introduction to manager and/or conference manager
- M24 ☐ Management and staff who are professional about their arrangements
- M25 ☐ Immediate reaction to a request from you, by staff and management

SECTION THREE

The remaining section will focus on the LAST meeting/conference you organised

Q6. What was the LAST type of meeting/conference you organised in a hotel ?

Please circle the most appropriate one only

1. Management Training
2. Staff Training
3. External Training Courses
4. Sales Meeting/Conference
5. Sales Launch
6. Exchange of Business Information
7. Consultancy
8. Press Conference
9. Entertainment
10. Incentive Travel
11. Other _____

Q7. Who attended the last conference you organised ?

Please circle appropriate numbers

1. Client/Customers 2. Company employees 3. Other please specify_____

Q8. How many delegates attended this meeting/conference in total ? Please circle one

<14	15-24	25-49	50-74	75-100	101-150	151-200	201-300	301-400	401-500	>501
1	2	3	4	5	6	7	8	9	10	11

Q9. The following relates to the *Conference Hotel* you last organised a conference at.
To answer, please tick the picture which you think best relates to your last experience.

					No opinion 	
Conference room included in price						L1
Standard of decor was pleasant						L2
Comfortable seating						L3
Dirty ashtrays etc. were cleared away						L4
Basic equipment was included in the price						L5
Good food and enough quantity						L6
Refreshments included in price						L7
Bath, TV, telephone etc. in bedrooms						L8

Q10. The following relates to the *Management and Operations* of the same hotel.
To answer, please tick the picture which you think relates best to your last experience.

					No opinion 	
Management was experienced in dealing with conferences						L9
Management was professional about their arrangements						L10
Hotel was value for money						L11
Hotel staff provided everything which was required						L12
Staff were pleasant and helpful						L13
Staff were competent in dealing with our conference						L14
One could depend on staff to get things done						L15
Staff reacted immediately to requests						L16
Staff were polite and friendly in dealing with our conference						L17

Q11. What was the main location of the conference hotel you used ? Please circle one.

1. Near Corporate Headquarters
2. Near Production Plant
3. Near London
4. In London
5. Centrally located within the UK
6. Near Motorway
7. Other City than own city
8. Near Airport
9. Seaside
10. Quiet Surroundings
11. Near Recreation e.g. Golf
12. Other _____

Q12. What was the rating of the hotel ? Please tick as appropriate.

Other	2	3	4	5	STAR rating		CROWN rating
☐	☐	☐	☐	☐	☐	or	☐

Q13. Was the conference a day conference or residential ? Please circle one.

1. Day Conference
2. Residential Conference

Q14. Could you kindly give us the *name* and *place* of the hotel.

_____

THANK YOU FOR YOUR CO-OPERATION !

APPENDIX IV

APPENDIX IV

Legend to Appendices 1 - 7

Groups

1 management training
2 staff training
3 external training courses and consultancy
4 sales meeting
5 sales launch
6 exchange of business
7 other: incentive travel, press conference and entertainment

Attributes

1 Purpose built conference rooms
2 Purpose built syndicate rooms
3 All conference rooms / amenities in the same area
4 Good acoustics in conference room
5 Natural daylight in conference room
6 Selection of conference rooms to chose from
7 Clear location signs within hotels
8 Swimming pool / Leisure facilities
9 Good and free car parking
10 Telex / Fax facilities / Secretarial facilities
11 Cleanliness of facilities
12 Comfortable seating
13 Comfortable accommodation
14 Ashtrays, cups etc. cleared away throughout the day
15 Standard of decor / carpeting / decoration and furniture.
16 Business class standard in bedrooms

24 Flexible menu
25 Tea / Coffee on tap all day
26 Meeting with the chef
27 Flexible meal times
28 Sufficient quantity of food
29 Reasonable quality of food

17 Competitive rates
18 Room hire included in price
19 Willingness to negotiate tariff / rate
20 Discount for large number of delegates
21 Audio Visual equipment included in price
22 Basic equipment included in the price
23 Refreshments included in the price

30 Confident staff and management
31 Experienced management
32 Staff and management who are adaptable
33 Staff carrying out arrangements as requested
34 Flexible staff and management
35 Conference hotel with character
36 Hotel which offers value for money
37 Ambience within the conference hotel

38 Smiling and friendly staff
39 Quiet efficiency of staff
40 Competent staff
41 Dependable staff
42 Unobtrusive staff
43 Attentive staff
44 Enthusiastic staff
45 Polite staff
46 Speedy service
47 Pleasant staff
48 Helpful staff
49 Well mannered staff
50 Ability to react positively by staff and management
51 Staff and management who understand your requirements
52 Personal introduction to manager and conference manager
53 Management and staff who are professional about their arrangements
54 Immediate reaction to a request from you, by staff and management

Values

1 Unimportant
2 Some importance
3 Important
4 Very important

Appendix IV.1
Percentage of Counted Number of Responses for Group 1

Attribute	Value 1	Value 2	Value 3	Value 4
1	.9	17.8	43.0	38.3
2	11.2	31.8	31.8	25.2
3	4.7	19.6	42.1	33.6
4	--	7.5	31.8	60.7
5	12.1	16.8	36.4	34.6
6	12.1	34.6	34.6	16.8
7	13.1	42.1	31.8	13.1
8	29.9	41.1	19.6	8.4
9	.9	11.2	39.3	48.6
10	30.8	41.1	16.8	11.2
11	--	3.7	16.8	79.4
12	--	1.9	18.7	79.4
13	--	1.9	31.8	66.4
14	1.9	3.7	40.2	54.2
15	--	12.1	57.0	30.8
16	1.9	16.8	45.8	35.5
17	--	6.5	29.9	62.6
18	11.2	15.9	40.2	31.8
19	7.5	16.8	38.3	36.4
20	6.5	17.8	41.1	32.7
21	8.4	16.8	42.1	30.8
22	12.1	34.6	26.2	26.2
23	3.7	21.5	32.7	40.2
24	1.9	17.8	45.8	33.6
25	14.0	21.5	44.9	18.7
26	65.4	25.2	5.6	2.8
27	8.4	26.2	37.4	27.1
28	.9	15.0	48.6	34.6
29	.9	1.9	23.4	72.9
30	--	7.5	40.2	49.5
31	--	12.1	35.5	51.4
32	.9	4.7	36.4	56.1
33	--	--	10.3	88.8
34	--	4.7	36.4	56.1
35	15.9	41.1	32.7	9.3
36	1.9	12.1	29.0	56.1
37	1.9	22.4	46.7	25.2
38	--	11.2	46.7	42.1
39	--	3.7	41.1	54.2
40	--	.9	23.4	73.8
41	--	.9	19.6	78.5
42	3.7	17.8	44.9	31.8
43	.9	14.0	43.0	40.2
44	.9	9.3	52.3	35.5
45	--	5.6	39.3	53.3
46	--	2.8	21.5	72.9
47	.9	3.7	42.1	51.4
48	.9	--	32.7	66.4
49	.9	4.7	37.4	56.1
50	--	1.9	24.3	70.1
51	--	--	21.5	74.8

52	11.2	27.1	31.8	25.2
53	--	2.8	26.2	67.3
54	--	3.7	22.4	70.1

* the non-response % category is not shown

Appendix IV.2
Percentage of Counted Number of Responses for Group 2

Attribute	Value 1	Value 2	Value 3	Value 4
1	3.2	25.8	38.7	32.3
2	16.1	38.7	29.0	16.1
3	--	38.7	38.7	22.6
4	--	6.5	58.1	35.5
5	3.2	29.0	38.7	29.0
6	9.7	45.2	29.0	16.1
7	6.5	61.3	29.0	3.2
8	54.8	35.5	6.5	3.2
9	--	12.9	51.6	35.5
10	32.3	45.2	22.6	--
11	--	--	29.0	71.0
12	--	--	22.6	77.4
13	--	9.7	51.6	38.7
14	3.2	12.9	51.6	32.3
15	--	19.4	64.5	16.1
16	9.7	12.9	61.3	9.7
17	--	3.2	45.2	51.6
18	22.6	16.1	35.5	25.8
19	6.5	29.0	25.8	38.7
20	12.9	25.8	25.8	35.5
21	12.9	12.9	45.2	29.0
22	16.1	32.3	35.5	16.1
23	6.5	25.8	25.8	38.7
24	3.2	25.8	61.3	9.7
25	38.7	32.3	29.0	--
26	67.7	32.3	--	--
27	6.5	32.3	41.9	19.4
28	--	9.7	51.6	38.7
29	--	3.2	38.7	58.1
30	--	3.2	41.9	51.6
31	3.2	9.7	48.4	38.7
32	--	6.5	48.4	45.2
33	--	--	9.7	90.3
34	--	3.2	48.4	48.4
35	16.1	61.3	19.4	3.2
36	--	9.7	25.8	64.5
37	3.2	22.6	61.3	12.9
38	--	3.2	51.6	45.2
39	--	3.2	29.0	67.7
40	--	--	19.4	80.6
41	--	--	19.4	80.6
42	--	19.4	29.0	51.6
43	3.2	9.7	45.2	41.9
44	--	22.6	35.5	41.9
45	--	6.5	32.3	61.3
46	--	--	32.3	67.7
47	--	3.2	48.4	48.4
48	--	3.2	32.3	64.5
49	--	3.2	41.9	54.8
50	--	--	38.7	61.3
51	--	--	35.5	64.5

52	9.7	22.9	54.=	12.9
53	--	3.2	45.2	51.6
54	--	--	35.5	64.5

* the non-response % category is not shown

Appendix IV.3
Percentage of Counted Number of Responses for Group 3

Attribute	Value 1	Value 2	Value 3	Value 4
1	7.7	23.1	30.8	38.5
2	15.4	23.1	30.8	30.8
3	7.7	30.8	38.5	23.1
4	--	--	61.5	38.5
5	--	23.1	15.4	61.5
6	--	53.8	30.8	15.4
7	15.4	46.2	15.4	23.1
8	46.2	23.1	15.4	15.4
9	--	15.4	53.8	30.8
10	23.1	38.5	23.1	15.4
11	--	--	30.38	69.2
12	--	--	38.5	61.5
13	--	--	53.8	46.2
14	--	15.4	15.4	69.2
15	--	15.4	46.2	38.5
16	--	15.4	46.2	38.5
17	--	7.7	15.4	76.9
18	7.7	23.1	30.8	38.5
19	7.7	7.7	38.5	46.2
20	7.7	5.4	23.1	53.8
21	7.7	7.7	46.2	38.5
22	15.4	30.8	7.7	46.2
23	15.4	15.4	23.1	46.2
24	7.7	30.8	23.1	38.5
25	15.4	38.5	15.4	30.8
26	46.2	46.2	7.7	--
27				
28				
29				
30				
31	--	7.7	23.1	69.2
32	--	15.4	15.4	69.2
33	--	7.7	7.7	84.6
34	--	23.1	23.1	53.8
35	--	46.2	38.5	15.4
36	7.7	--	46.2	46.2
37	15.4	15.4	38.5	30.8
38	--	30.8	30.8	38.5
39	--	15.4	15.4	69.2
40	--	7.7	15.4	76.9
41	--	7.7	7.7	76.9
42	--	15.4	30.8	46.2
43	--	23.1	23.1	46.2
44	--	23.1	30.8	38.5
45	--	15.4	30.8	46.2
46	--	23.1	7.7	61.5
47	--	15.4	30.8	46.2
48	--	7.7	38.5	46.2
49	--	15.4	30.8	46.2
50	--	7.7	7.7	76.9
51	--	7.7	15.4	69.2

52	7.7	30.8	7.7	46.2
53	--	7.7	23.1	61.5
54	--	7.7	46.2	38.5

* the non-response % category is not shown

Appendix IV.4
Percentage of Counted Number of Responses for Group 4

Attribute	Value 1	Value 2	Value 3	Value 4
1	6.3	21.9	31.3	40.6
2	21.9	26.6	35.9	12.5
3	9.4	15.6	42.2	32.8
4	4.7	9.4	32.8	53.1
5	23.4	31.3	35.9	9.4
6	18.8	31.3	31.3	15.6
7	9.4	42.2	32.8	12.5
8	25.0	31.3	28.1	10.9
9	3.1	9.4	34.4	53.1
10	25.0	35.9	23.4	15.6
11	--	1.6	28.1	70.3
12	--	3.1	26.6	70.3
13	1.6	--	37.5	60.9
14	--	7.8	29.7	62.5
15	3.1	7.8	46.9	42.2
16	3.1	12.5	40.6	43.8
17	--	18.8	32.8	48.4
18	10.9	32.8	31.3	23.4
19	4.7	32.8	29.7	31.3
20	9.4	26.6	32.8	29.7
21	20.3	29.7	29.7	18.8
22	20.3	34.4	28.1	15.6
23	9.4	26.6	39.1	23.4
24	1.6	17.2	42.2	39.1
25	9.4	34.4	31.3	23.4
26	51.6	28.1	12.5	6.3
27	12.5	29.7	35.9	21.9
28	1.6	21.9	32.8	43.8
29	--	3.1	28.1	68.8
30	--	9.4	48.4	40.6
31	--	12.5	34.4	53.1
32	--	10.9	46.9	40.6
33	--	--	14.1	85.9
34	--	10.9	42.2	45.3
35	6.3	46.9	34.4	12.5
36	1.6	12.5	53.1	32.8
37	1.6	20.3	48.4	28.1
38	1.6	20.3	39.1	39.1
39	--	12.5	35.9	50.0
40	--	1.6	34.4	64.1
41	3.1	--	37.5	62.5
42	--	18.8	40.6	37.5
43	--	7.8	51.6	40.6
44	1.6	20.3	37.5	40.6
45	--	9.4	39.1	51.6
46	--	3.1	39.1	57.8
47	--	9.4	42.2	48.4
48	--	4.7	39.1	56.3
49	--	9.4	34.4	56.3
50	--	4.7	31.3	64.1
51	--	1.6	31.3	67.2

52	9.4	23.4	21.9	45.3
53	--	4.7	34.4	60.9
54	--	3.1	23.4	73.4

* the non-response % category is not shown

Appendix IV.5
Percentage of Counted Number of Responses for Group 5

Attribute	Value 1	Value 2	Value 3	Value 4
1	--	15.8	31.6	47.4
2	5.3	36.8	26.3	26.3
3	--	47.4	36.8	15.8
4	--	5.3	36.8	52.6
5	21.1	26.3	26.3	21.1
6	5.3	31.6	42.1	15.8
7	--	47.4	31.6	15.8
8	42.1	36.8	15.8	--
9	5.3	--	36.8	52.6
10	10.5	42.1	31.6	10.5
11	5.3	--	10.5	84.2
12	--	5.3	26.3	68.4
13	--	--	57.9	42.1
14	--	10.5	52.6	36.8
15	--	10.5	36.8	47.4
16	5.3	15.8	42.1	36.8
17	--	5.3	15.8	78.9
18	5.3	15.8	42.1	31.6
19	--	5.3	57.9	36.8
20	--	5.3	42.1	52.6
21	5.3	31.6	47.4	15.8
22	21.1	26.3	31.6	21.1
23	21.1	5.3	26.3	42.1
24	5.3	10.5	26.3	52.6
25	5.3	36.8	31.6	26.3
26	26.3	47.4	5.3	15.8
27	5.3	26.3	36.8	26.3
28	--	10.5	36.8	47.4
29	--	--	15.8	84.2
30	--	--	36.8	63.2
31	--	--	26.3	73.7
32	--	--	21.1	78.9
33	--	--	5.3	94.7
34	--	--	36.8	57.9
35	--	42.1	26.3	26.3
36	--	5.3	36.8	57.9
37	--	10.5	47.4	36.8
38	5.3	5.3	42.1	42.1
39	--	5.3	31.6	63.2
40	--	--	15.8	84.2
41	--	5.3	10.5	78.9
42	--	15.8	26.3	57.9
43	--	10.5	31.6	52.6
44	--	21.1	21.1	52.6
45	--	10.5	31.6	57.9
46	--	10.5	15.8	73.7
47	--	5.3	36.8	52.6
48	--	15.8	15.8	68.4
49	--	11.1	16.7	72.2
50	--	--	21.1	78.9
51	--	--	21.1	78.9

52	5.3	26.3	26.3	36.8
53	--	--	21.1	78.9
54	--	--	21.1	78.9

* the non-response % category is not shown

Appendix IV.6
Percentage of Counted Number of Responses for Group 6

Attribute	Value 1	Value 2	Value 3	Value 4
1	13.8	22.4	39.7	22.4
2	27.6	32.8	32.8	3.4
3	5.2	17.2	53.4	22.4
4	5.2	3.4	37.9	51.7
5	6.9	24.1	36.2	31.0
6	13.8	27.6	39.7	12.1
7	10.3	32.8	32.8	22.4
8	29.3	48.3	19.0	1.7
9	1.7	10.3	34.5	51.7
10	13.8	29.3	25.9	29.3
11	1.7	--	17.2	79.3
12	--	--	17.2	81.0
13	1.7	1.7	25.9	69.0
14	--	1.7	29.3	67.2
15	--	8.6	39.7	50.0
16	1.7	6.9	36.2	53.4
17	--	17.2	36.2	43.1
18	13.8	36.2	27.6	19.0
19	5.2	31.0	32.8	27.6
20	8.6	25.9	31.0	31.0
21	17.2	34.5	24.1	20.7
22	19.0	41.4	20.7	15.5
23	8.6	32.8	31.0	24.1
24	--	6.9	44.8	44.8
25	5.2	20.7	39.7	31.0
26	41.1	37.9	6.9	8.6
27	6.9	20.7	24.1	43.1
28	--	12.1	41.4	41.4
29	--	1.7	24.1	70.7
30	--	8.6	41.4	48.3
31	--	3.4	37.9	56.9
32	--	8.6	29.3	60.3
33	--	1.7	6.9	89.7
34	--	8.6	25.9	63.8
35	1.7	48.3	31.0	17.2
36	1.7	22.4	46.6	27.6
37	1.7	29.3	44.8	22.4
38	--	13.8	41.4	43.1
39	--	5.2	27.6	65.5
40	--	--	20.7	77.6
41	--	--	20.7	77.6
42	--	8.6	44.8	44.8
43	--	10.3	37.9	50.0
44	--	12.1	43.1	43.1
45	--	5.2	34.5	58.6
46	--	3.4	20.7	74.1
47	--	6.9	44.8	46.6
48	--	3.4	31.0	63.8
49	--	1.7	43.1	53.4
50	--	1.7	27.6	69.0
51	--	3.4	22.4	72.4

52	5.2	24.1	36.2	32.8
53	--	3.4	20.7	74.1
54	--	1.7	19.0	77.6

* the non-response % category is not shown

Appendix IV.7
Percentage of Counted Number of Responses for Group 7

Attribute	Value 1	Value 2	Value 3	Value 4
1	5.8	21.2	46.2	26.9
2	15.4	40.4	32.7	11.5
3	5.8	19.2	34.6	40.4
4	--	9.6	28.8	61.5
5	23.1	28.8	30.8	17.3
6	13.5	38.5	44.2	3.8
7	9.6	36.5	32.7	21.2
8	53.8	26.9	15.4	3.8
9	1.9	19.2	42.3	36.5
10	15.4	28.8	38.5	17.3
11	--	3.8	11.5	84.6
12	--	3.8	26.9	69.2
13	--	1.9	38.5	59.6
14	--	7.7	32.7	59.6
15	--	13.5	46.2	40.4
16	1.9	13.5	51.9	32.7
17	3.8	13.5	44.2	38.5
18	11.5	40.4	32.7	13.5
19	7.7	44.2	26.9	19.2
20	7.7	36.5	34.6	19.2
21	19.2	36.5	26.9	15.4
22	23.1	32.7	26.9	15.4
23	19.2	25.0	36.5	17.3
24	--	13.5	48.1	38.5
25	15.4	34.6	23.1	26.9
26	53.8	34.6	5.8	5.8
27	9.6	32.7	42.3	15.4
28	1.9	13.5	44.2	40.4
29	--	1.9	15.4	82.7
30	--	13.5	25.0	61.5
31	--	9.6	23.1	67.3
32	--	9.6	34.6	55.8
33	--	--	9.6	90.4
34	--	3.8	34.6	59.6
35	7.7	40.0	42.3	9.6
36	1.9	11.5	63.5	23.1
37	1.9	19.2	51.9	23.1
38	--	19.2	36.5	44.2
39	--	1.9	26.9	71.2
40	--	--	17.3	82.7
41	--	3.8	13.5	82.7
42	1.9	19.2	40.4	38.5
43	--	7.7	34.6	57.7
44	1.9	13.5	60.8	53.8
45	--	1.9	28.8	69.2
46	--	--	17.3	82.7
47	--	7.7	40.4	51.9
48	--	1.9	32.7	65.4
49	--	3.8	36.5	59.6
50	--	--	19.2	80.8
51	--	3.8	19.2	76.9

52	5.8	28.8	30.8	34.6
53	--	--	19.2	80.8
54	--	--	21.2	78.8

* the non-response % category is not shown

APPENDIX V

Description of Second Postal Survey Results

The final survey obtained data on levels of perceived performance on the previously refined set of evaluation attributes. In addition, overall performance of the product was assessed by respondents.

The fully structured questionnaire adopted a similar approach to the first postal survey. Again, background information of the respondent companies with respect to type of industry was obtained. Additional information on type of conference, location and duration was collected.

The description of results is limited since the contents of the questionnaire in Sections 1 and 2 were not designed for this research. Only the section dealing specifically with perceived performance was designed solely for the purpose of this research.

Table V.1 What is the nature of your company?

The table below indicates the distribution of respondent companies.

Manufacturing	19.8%
Marketing/Retailing	6.6%
Financial	9.1%
Communications	5.8%
Computer	6.6%
Local Authority	13.2%
Civil Service & Government	23.1%
Hospitality & Leisure	5.0%
Education & Welfare	10.7%

Examples of responses

Personnel
Group training
Training
Management training

Administration
Public relations/administration

Sales & Marketing
Customer support

Operations
Conference/seminar
Conference unit
Communications

Financial
Audinting
Domestic banking

Managerial
Management studies
Parcels business management
Senior management
Manufacturing agent (self emp.)
Directors office

Services
Institutional services division
Corporate Services

Research
Scienctific research

Non-Corporate
Education
Regional council
Adult education

Table V.2 What is your department within the company?

Personnel	39.1%
Sales and Marketing	27.1%
Administration	8.7%
Operations	5.4%
Financial	3.3%
Managerial	4.3%
Services	2.2%
Research	1.1%
Non-Corporate	8.7%

Examples of responses

Manager
Senior partner
Proprietor
Treasurer
Defence secretary
Chairman

Secretary
Clerical officer
Personal secretary

Consultant
Group training consultant
Marketing consultant

Officer
Management services officer
Training officer

Administrator
Conference administrator

Assistant
Marketing assistant
Assistant to managing director
Administration assistant
Assistant ot Education Officer

Advisor
Senior advisor
Training advisor
Training
Senior lecturer
Management tutor

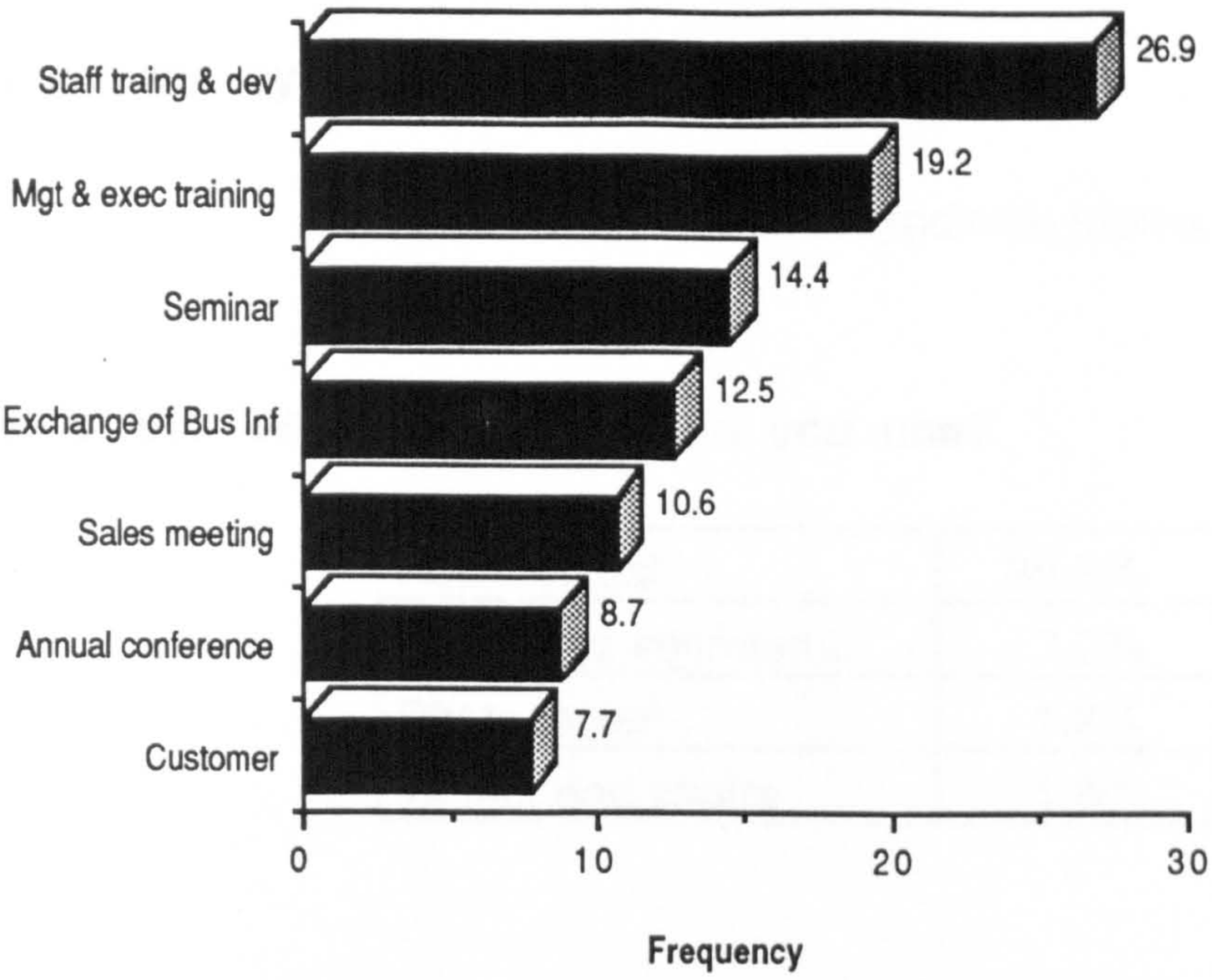
Other
Council member

Co-ordinator
Conference organiser

Table V.3 What is your position within the company?

Manager	48.2%
Secretary	22.3%
Consultant	1.8%
Officer	4.5%
Administrator	5.4%
Assistant	5.4%
Advisor	7.1%
Co-Ordinator	3.6%
Other	1.8%

Figure V.1 What was the last type of meeting you organised?



Examples of responses

Staff training/developent course
Staff development
Training seminar
Personal development course
Staff briefing

Exchange of business information
Briefing day
Daily meeting
Curriculum task group
Finance

Seminar/small meeting

Safety seminar
Planning
Overnight conference
Weekend residential

Sales meeting/conference
Area sales
Sales conference
Divisional sales
Selling

Annual conference/meeting

Annual conference
AGM & Science meeting
Year start
Rules conference
General committee

Management/executive training/development
Management training
Senior registrars
Senior managers
Management course
Training officers
Management team residential

Customer
European press tour
Dealer conference
Customer training course
Training conference

How many syndicate rooms did you use?

64.3% utilised 1 to 3 syndicate rooms.

Table V.4 What equipment did you use?

Audio visual	89.5%
Audio and secretarial	7.0%
Photocopier	1.8%
Tables and chairs	1.8%

Table V.5 What was the 24 hour delegate rate?

Less than £30	13.6%
£30 - £39	19.5%
£40 - £49	28.8%
£50 or more	38.1%

Table V.6 Who attended this last conference you organised?

Clients	5.7%
Clients and employees	13.0%
Employees	59.3%
Representatives	4.1%
Delegate members	13.0%
Students	1.6%
Teachers	0.8%
Public	1.6%
Press	0.8%

Figure V.2 Booking prior to arrival?

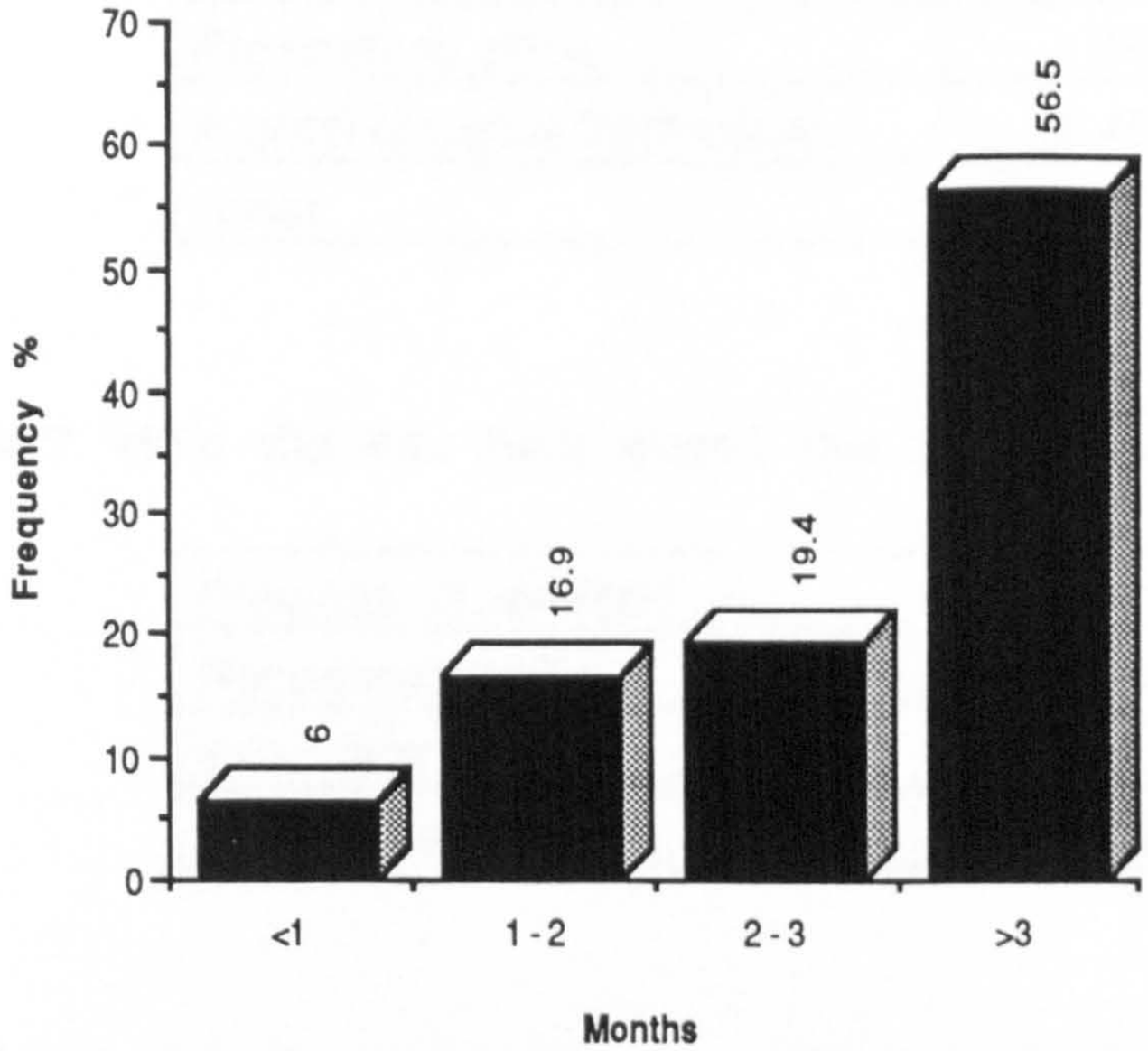


Table V.7 Important factors when choosing a hotel

Star rating	4.7%
Price	24.0%
Conference facilities	51.9%
Availability of equipment	6.2%
Leisure facilities	1.6%
Staff	1.6%
Atmosphere	0.8%
Corporate discount available	0.8%
Hotel was available via central booking office	3.1%

* The non-response category is excluded.

Interestingly, staff is shown to be of minimum importance in choosing a hotel. This may be explained by the fact that 'staff' is a collective factor and contains diverse attributes such as; expense, flexibility, reliability, for more detail see Chapter 3, Section 3.2.1.

Table V.8 Important factors when choosing a town

Ease of access (by road and by rail)	38.8%
General price levels	24.8%
Proximity to office	7.8%
A good distance from office	5.4%
Other	12.4%

Table V.9 How did you hear about this particular hotel?

Previous experience	55.5%
Recommendation	31.1%
Exhibition	2.5%
Publication	10.9%

Table V.10 What sources do you normally use?

None	3.4%
Recommendation	29.9%
Hotel guides	6.0%
Tourist board	4.3%
Star collection	2.6%
Agencies and central booking offices	14.5%
Brochures/publications	14.5%
Directories	7.7%
Exhibition	17.1%

Examples of sources of information were:

Hotel guides
AA guides
RAC guides
Egon Ronay

Agencies/central booking offices
Hotel agencies
Travel agencies
Conference line
Venue organisers

Brochures/publicity
Hotel brochures
Travel/trade brochures
Conference brochures
Advertisements
Specialist journals

Directories
Yellow Pages
Conference Blue Book

Exhibitions and other
Expotel
Institution HQ
Company department
Telephone
Direct contact
Investigation

Table V.11 What business publications do you read regularly?

None	19.5%
Management	3.4%
Marketing	10.3%
Hospitality and leisure	13.8%
Personnel	24.1%
Scientific and technical	5.7%
Financial and political	2.3%
National press	5.7%
Trade and other	14.9%

Examples given were:

Management
Management Today
Association of management

Marketing
Marketing Campaign
Marketing Week

Hospitality & leisure
Catering
Conference Blue Book
Conference & Association World
Travel Trade Gazette
Executive Travel
Meetings & Incentive Travel
Conference Britain
Caterer & Hotelkeeper

Personnel
Personnel Secretarial
Training Officer
IPM & Training Today
Personnel Today
Personnel Management
Personnel & Training
Training Journals
ITB Monitor

Financial/political

Public Finance & Accounting

Economist

National press

Times

Financial Times

Independent

Morning Advertiser

Trade & other journals

British Business

British Traveller

Teacher publications

Legal publications

Estate Agents Gazette

Trade journals

Drapers journals

Health Service

Business Week

APPENDIX VI

Send by :

Please return questionnaire by :

HOTEL CONFERENCE SURVEY

This survey is interested in the conference or meeting facilities being provided by hotels within the United Kingdom.

This study is being conducted by final year degree students in collaboration with the Research Unit, Department of Hospitality Management at the Dorset Institute.

Your cooperation with this survey will contribute towards a greater understanding of the requirements of conference organisers using hotels.

ANONYMITY IS GUARANTEED

SECTION ONE
Company Information

Q.1 **What is the nature of your business ? Please circle one appropriate number**

1. Manufacturing
2. Retailing
3. Financial Services/Banking/ Insurance
4. Communications
5. Computer
6. Local Authority
7. Other _____

Please indicate your department and position within the company

Q.2 DEPARTMENT

1. Personnel
2. Sales/Marketing
3. Other_____

Q.3 POSITION

1. Manager
2. Secretary
3. Other_____

Q.4 **How many people does your company employ. Please state** ☐

Q.5 **Please state the county location of :**

Head Office _____ **Your Branch** _____

SECTION TWO
This section deals with the last conference you organised

Q.6 **What was the last type of meeting you organised** _____

Q.7 **How many syndicate rooms did you use** ☐

Q.8 **What equipment did you use** _____

Q.9 **What was the 24hr. delegate rate incl.VAT ?** Please circle one category

under £30 £30-£39 £40-£49 £50+

Q.10 **Who attended the last conference you organised?** Please circle one

1. Client 2. Clients/Employees 3. Employees 4. Other _____

Q.11 **How many delegates attended.** Please state ☐

Q.12 **If the conference was residential please indicate in NIGHTS**
OR if it was a day conference, please tick ☐ ☐

Q.13 **How many weeks prior to arrival did you book this conference.**
Please circle one category

– 1 month 1-2 months 2-3 months +3 months

Q.14 **HOTEL**

Could you please rank the following on levels of importance for the choice of this particular hotel.
Please rank from 1 to 9, starting with 1 being the most important

☐ Star rating
☐ Price
☐ Conference Facilities
☐ Availability of Equipment
☐ Leisure Facilities
☐ Staff
☐ Atmosphere
☐ Corporate Discount Available
☐ Because hotel available via central booking office

Q.15 **TOWN**

Could you please rank the following on levels of importance for the choice of the town in which the hotel was located.
Please rank from 1 to 5, starting with 1 being the most important

☐ Ease of access (by road and by rail)
☐ General price levels
☐ Proximity to office
☐ A good distance from office
☐ Other_____

Q.16 How did you hear about this particular hotel ?
Please circle the most appropriate number

1. Previous experience
2. Recommendation
3. Exhibition, please state_____
4. Publication, please state _____

Q.17 What sources do you normally use to find details of conference hotels ?
Please state.

Q.18 What business publications do you read regularly ?
Please state.

_____

Q.19 What exhibitions do you attend ? Please state.

_____

SECTION THREE

The remaining section deals with your expectations and how satisfied you are with the service currently provided by the conference hotel

Q.20 The following relates to the last hotel conference you organised, and attended at least part of the time.

From this LAST EXPERIENCE, do you regard the following questions as

1 = MUCH WORSE THAN EXPECTED
2 = WORSE THAN EXPECTED
3 = AS EXPECTED
4 = BETTER THAN EXPECTED
5 = MUCH BETTER THAN EXPECTED

Please insert your answer in the boxes provided.

☐	Management was experienced in dealing with conferences [M1]
☐	Did management act as professionally as you expected [M2]
☐	Did the staff carry out arrangements exactly as requested [M3]
☐	Did you regard the staff as being confident in what they were doing [M4]
☐	Could you depend on the hotel staff and management [M5]
☐	Did you and your delegates get the attention you expected [M6]
☐	Were management sympathetic if problems occurred [M7]
☐	Were the staff as polite and friendly as you expected [M8]
☐	Did staff react immediately to requests you made [M9]

☐	Was the ambiance /atmosphere as you expected it [M10]
☐	Did staff do their utmost to assist you and your delegates [M11]
☐	Did the management provide attention to little details [M12]
☐	Was the seating as comfortable as you expected [P1]
☐	Were the ashtrays, cups etc. cleared away through the day [P2]
☐	Was the standard of décor as pleasant as you expected [P3]
☐	Were there enough syndicate rooms [P4]
☐	Was there a bath, telephone, tea/coffee facilities in bedrooms [P5]
☐	Were the general facilities as clean as you expected [P6]
☐	Was equipment available when required [P7]
☐	Was there a reasonable quantity of food [P8]
☐	Was there a sufficient quality of food [P9]
☐	Was the final bill exactly as you expected [P10]
☐	Was the standard of leisure facilities as you expected [P11]

For the following statements, please give a score according to your LAST experience.

Please circle with 1 = Poor and 7 = Excellent

Q.21 How satisfied were you with the overall performance of the conference hotel ?

1	2	3	4	5	6	7	
Poor						Excellent	SATISFACTION

Q.22 The overall quality of service in this hotel was

1	2	3	4	5	6	7	
Poor						Excellent	QUALITY

Q.23 Would you use this hotel for your next conference ? Please circle one.

1 = YES 2 = NO

THANK YOU YOUR ASSISTANCE IN COMPLETING THIS QUESTIONNAIRE!

PLEASE RETURN THIS QUESTIONNAIRE TO:

MS. USHA OBEROI
Department of Hospitality Management
Dorset Institute
Wallisdown
POOLE, Dorset, BH12 5BB

Tel: (0202) 524111 ext. 5374

APPENDIX VII

DORSET INSTITUTE

DEPARTMENT OF HOSPITALITY MANAGEMENT
Wallisdown Road Wallisdown Poole Dorset BH12 5BB Telephone: (0202) 524111 Fax: (0202) 513293
Director: Bernard R MacManus BSc(Eng) PhD CEng FBIM FRSA
Head of Hospitality Management: Professor Gary Akehurst BSc(Econ) MSc(Econ) MBIM FTS

A SURVEY INTO CONSUMER PERCEPTIONS OF THE CONFERENCE HOTEL.

August, 1987.

Dear Sir or Madam,

Many companies use hotels for meetings or conferences.

In conjunction with the **English Tourist Board,** we are looking at the quality of service provided by Meeting/Conference hotels.

We wish to identify if the services and facilities provided by these hotels meet your company needs and expectations. It is also necessary to find out their level of use by top British companies, and we would be most grateful if you would complete and return the enclosed questionnaire.

As is always the case, the success of any postal survey is dependant upon receiving as many replies as possible.

All information will, of course, be treated as confidential.

We think you might also like to know about the English Tourist Board Conference Databank. This ***FREE*** service enables you to receive information tailored to your particular needs. If you would like to be included in the Databank, please complete the attached card.

If you feel unable to answer this questionnaire fully, could you kindly pass it on to the appropriate person within the company.

Thank you very much for your co-operation.

Yours faithfully,

U. Oberoi
Research Assistant

Other Centres: Holland House Oxford Road Lansdowne Bournemouth Dorset BH8 8EZ
Telephone: (0202) 524111 Fax: (0202) 298321
Norwich Union House Christchurch Road Bournemouth Dorset BH1 3NG Telephone: (0202) 524111

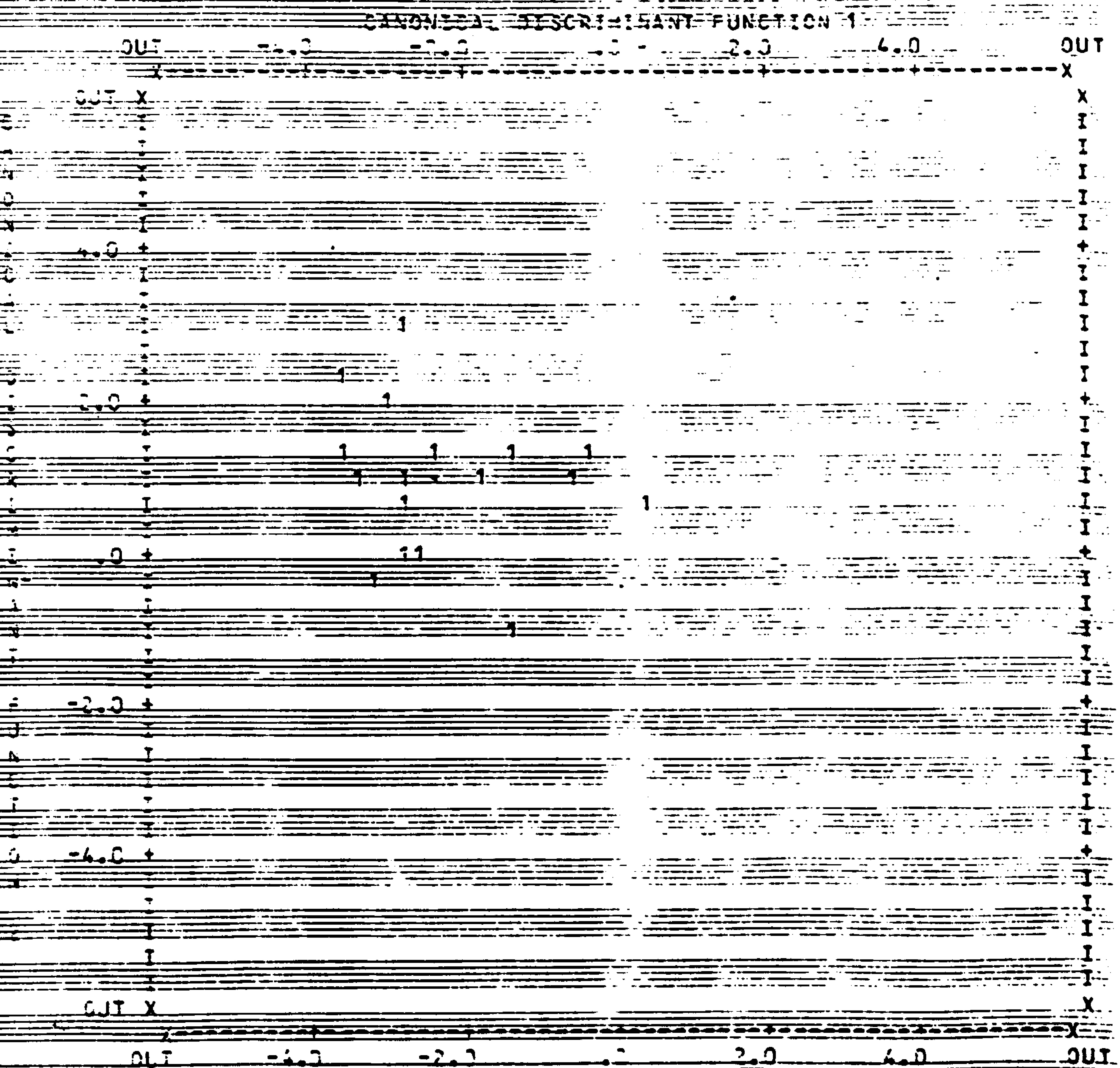
APPENDIX VIII

```
  04 JUL 93 SPSS.4                                                                    PA
  12:17:54   D.I.H.? Computer Services Unit DGMV7800Phoenix   AOS/VS 7.6.2

                        TERRITORIAL MAP   * INDICATES A GROUP CENTROID
                     (ASSUMING ALL FUNCTIONS BUT THE FIRST TWO ARE ZERO)

                                 CANONICAL DISCRIMINANT FUNCTION 1
              -6.0      -4.0      -2.0        .0       2.0       4.0       6.0
              +---------+---------+---------+---------+---------+---------+
  C     6.0 +                                 177                         +
  A         I                               117                           I
  N         I                               177                           I
  O         I                              117                            I
  N         I                              177                            I
  I         I                             117                             I
  C     4.0 +         +         +         +177      +         +         +
  A         I                             17                              I
  L         I                            117                              I
            I                            177                              I
  D         I                           117                               I
  I         I                           177                               I
  S     2.0 +         +         +         117       +         +         +
  C         I                          177                                I
  R         I                          17                                 I
  I         I                    *    117                                 I
  M         I                        11177                                I
  I         I                      11114477                               I
  N      .0 +         +         +111144444477   *  +         +         +
  A         I                  1114444    4477                            I
  N         I               1111444        4477                           I
  T         I            11114444    *      447                           I
            I          1111444              477                           I
  F         I        11114444               4477                          I
  U    -2.0 +      11144444 +         +      4477  +         +         +
  N         I1111444                          4477                        I
  C         I14444                             447                        I
  T         I144                                477                       I
  I         I                                   4477                      I
  O         I                                    4477                     I
  N    -4.0 +         +         +         +       4477     +         +
            I                                        447                  I
  2         I                                         477                 I
            I                                         4477                I
            I                                          4477               I
            I                                           447               I
       -6.0 +                                            477              +
              +---------+---------+---------+---------+---------+---------+
              -6.0      -4.0      -2.0        .0       2.0       4.0       6.0
```

GROUPS SCATTERPLOT - X INDICATES A GROUP CENTROID

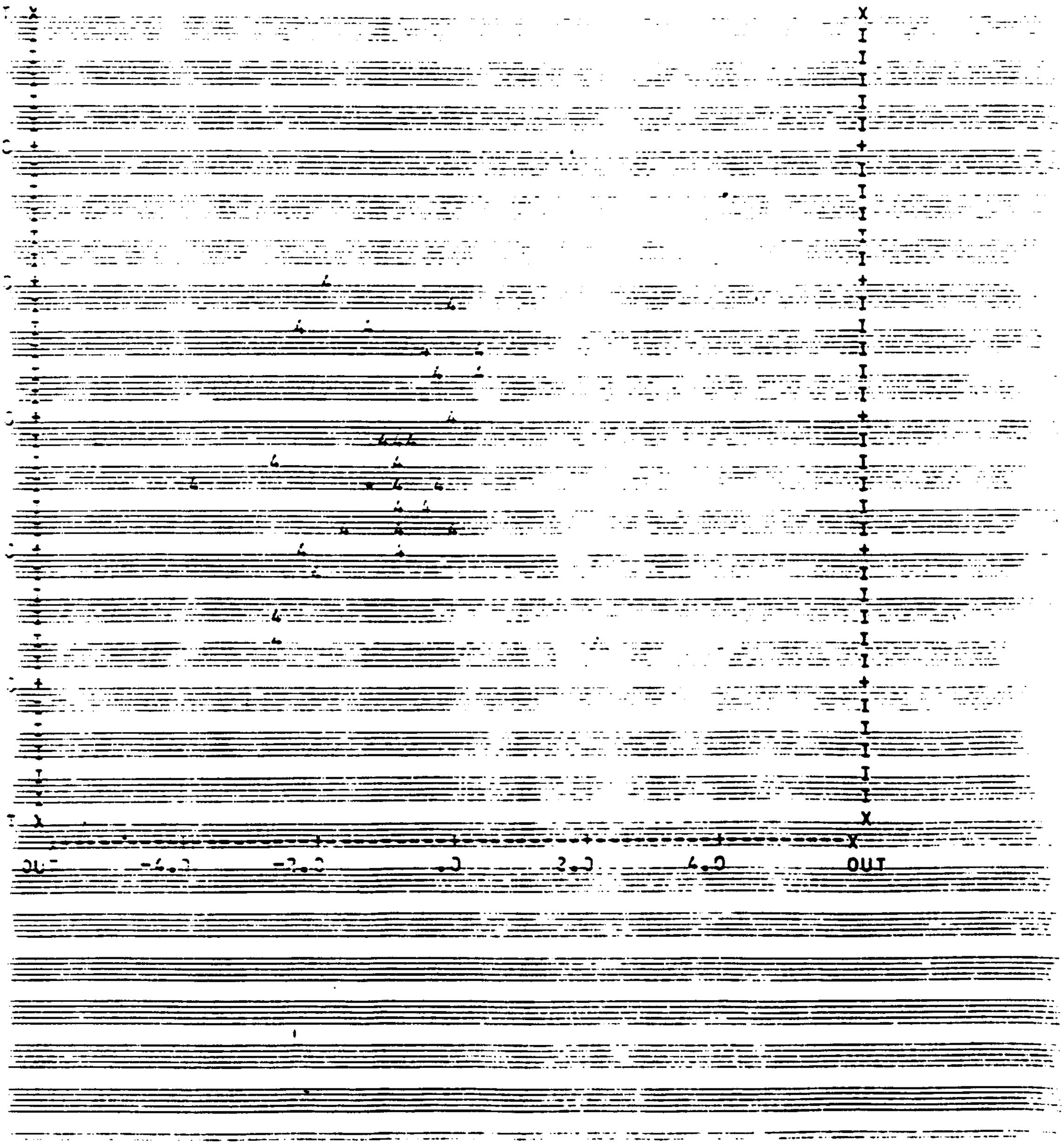
04 JUL 89 ...
12.17.36 D.I.H. Computer Services Unit CSMV7300Phoenix ACS7VS 7.6.2

GROUP 1 poor * INDICATES A GROUP CENTROID



Groups * INDICATES A GROUP CENTR

CANONICAL DISCRIMINANT FUNCTION 1



Computer Services Unit 3MV7:00Pacanix OS/VS 7.6.2

Excellent * INDICATES A GROUP CENTROID

CANONICAL DISCRIMINANT FUNCTION 3