Determinants of Event site Selection: Perceptions of Sport Event Rights Holders

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Introduction

Within the United States, the Travel Industry Association (2009) claims two-fifths or 75.3 million adults traveled for sport-related purposes within the last five years. During 2008, the economic impact of non-fixed based events (i.e. those that travel from market to market) grew to about $6.3 billion and each event spent approximately $792 per athlete (O’Connor & Martin, 2009). Host cities have increasingly utilized sport as a way to further their reputations (Smith 2005). An important element for many organizations holding the rights to a sporting event is the issue as to which destination site will be selected to host the event. A number of studies have investigated site selection factors (Hinkin and Tracey 1998; Jun and McCleary 1999; Chacko and Fenich 2000; Crouch and Louviere 2004; Chen 2006) within the convention industry. However, none of these studies have been applied within the context of sport. While O’Connor and Martin (2009) reported site selection factors in their 2009 Market Report in SportsEvents Magazine, the topic has not been advanced within the scholarly literature. This study seeks to fill this gap and extend the literature to assist in understanding how site selection factors influence consumer satisfaction and intention to return. The purpose of this study is to determine the most salient site selection factors perceived by representatives of organizations which hold the rights to sporting events. A secondary purpose is to examine the relationship between site selection factors and the satisfaction of rights holders and their intent in returning the sport event back to a particular destination.

Theoretical Framework

The theoretical framework for the study draws from the literature on site selection and service quality. Findings from the O’Connor and Martin (2009) report in SportsEvents Magazine suggest that event organizers rate the quality and availability of venues as important factors in their site selection decisions. Crouch and Ritchie (1998) developed a conceptual model of the site selection process. Jun and McCleary (1999) found 4 factors were most important when selecting an international destination: logistics/attractiveness of site, cost/added value, distance/environment, and social elements. Chacko and Fenich (2000) found the most important attribute for selecting a destination was promotional appeal. Findings from Chen (2006) suggest site environment and meeting and accommodation facilities are important factors for selecting a convention site. Crouch and Louviere (2004) noted the importance of convention facilities and accommodation Bonn, Ohlin and Brand (1994) and Hinkin and Tracey (1998) highlight the importance of service factors.

Methodology

The target population in this study was event planners who owned the rights to a sporting event. The frame for the study was drawn from a list of 445 primary contact representatives listed under the category of event rights holders by the National Association of Sports Commissions (NASC). An online questionnaire was administered by a representative of the NASC to all 445 individuals within the population. The questionnaire was sent via email and asked all subjects to respond within a two-week period. A second follow up email was sent to nonrespondents at the end of the two-week period asking for their response within a week. The study used a single-item approach to measure site selection factors, satisfaction and intent to return. The reliability of single-item measures has been demonstrated by a number of researchers (Jordan & Turner, 2008; Kwon & Trail, 2005; Nagy, 2002; Wanous & Hudy, 2001; Wanous & Reachers, 1996). The instrument contained 30 items drawn from the literature and was administered using the Qualtrics software. A total of 28 items were drawn from the literature on site selection.

Results

A total of 66 subjects responded to the questionnaire for a response rate of 12.3 percent. However, only 55 usable cases were subjected to statistical analysis. While the response rate for the study was lower than the desired 15% for surveys submitted to organizations (Baldauf, Reisinger, & Moncrief, 1999), the difficulty of collecting data from
Subjects within this population (i.e., sport event rights holders) should be noted. Single-item measures were subjected to statistical analysis using SPSS software. The results indicated the top 10 most important site selection factors included: destination has performed satisfactorily in the past (M=5.77, SD=.763), destination is able to provide suitable competition facilities (M=6.46, SD=.852), host organizations are supportive (M=6.43, SD=.633), event facilities are affordable (M=6.39, SD=.763), suitable accommodation is affordable (M=6.38, SD=.620), reputation of destination is positive among other event planners (M=6.25, SD=.726), host organizations provide prompt assistance (M=6.25, SD=.645), participants feel secure while attending events (M=6.22, SD=.786), hotel rooms are readily available (M=6.16, SD=.688), and hotel properties are free from security risk (M=6.11, SD=.908).

Pearson product-moment correlations were computed in relation to satisfaction and the following factors were statistically significant: destination has performed satisfactorily in the past, r=.355, p<.01; the layout of event facilities are suitable, r=.371, p<.01; event facilities are available when required, r=.357, p<.01. Pearson correlations were also computed for intent to return to the destination and the following factors were statistically significant: hotel properties are free from security risk, r=.299, p<.05; destination has performed satisfactorily in the past, r=.271, p<.05; participants feel secure while attending events, r=.265, p<.05; hotel rooms are readily available, r=.231, p<.05; the layout of event facilities are suitable, r=.278, p<.05; the reputation of the destination is positive among other event planners, r=.274, p<.05; guests perceive the destination to be a safe place, r=.272, p<.05; event facilities are available when required, r=.277, p<.05.

Discussion

The results from this study have important theoretical and practical implications. The results confirm the findings of previous studies which highlight the importance of factors such as the quality and availability of sport venues. The study also highlights the importance of other factors such as whether the destination has performed well in the past, security issues and availability of accommodation. From a practical perspective, the study provides sport destinations with insight as to the most important factors influencing event rights holders, and ultimately provides guidance for identifying service touch points and enhancing the delivery of services.