A conceptual framework for assessing the role that Corporate Hospitality plays on customer loyalty and purchase intentions

by

Colin N. Drake

This thesis is presented in fulfilment of
the requirements of the degree of
Doctor of Philosophy

Centre for Tourism and Services Research
Faculty of Business and Law

Victoria University

2010

Acknowledgements

I would like to acknowledge and thank my principle supervisor, Professor Leo Jago, at Victoria University, Melbourne, for his unwavering support, guidance and patience whilst I undertook this research. Professor Margaret Deery, also from Victoria University, as co-supervisor offered me support, encouragement and advice throughout the study and for that I am truly in her debt. I have nothing but heartfelt gratitude and admiration for these mentors for whom I have a deep respect.

There were many academics through the course of the last three years who offered me friendship and wise counsel, namely, Assoc. Professor Barry O'Mahony, Dr Judith Mair, Martin Robertson, Dr Leonie Lockstone, Olga Junek and Paul Whitelaw. To all of you many thanks for helping me along the way. To my colleagues at the Centre for Tourism and Services Research in particular Ryan Jopp and Sharon Attwell, thanks for your friendship.

I had the privilege of being a part of the graduate scholarship program at the STCRC. The training, support and collegiate learning experience provided through this program to me and many other fellow PhD students cannot be underestimated.

When undertaking a study such as a PhD, there are many who sit patiently in the shadows, waiting and hoping for a happy ending. To my wife, Gina, a sincere and heartfelt thank you for giving me the opportunity and most importantly the encouragement to enter university studies. Without you, none of this could have been achieved. It is also with great fondness that I recognise my children Lewis and Beatrice and hope that my absences associated with this study are quickly forgotten. I therefore dedicate this thesis to my wife and family and to the unswerving support of my parents; Norman and Ann Drake who have guided my path through praise rather than criticism.

.

Table of Contents

List of Tables

List of Figures

List of Abbreviations

AFL	Australian Football League
ALSD	Association of Luxury Suite Directors
AMP	Australian Mutual Provident Pty. Ltd.
ATL	Above the Line
B2B	Business to Business
B2C	Business to Consumer
BHA	British Hospitality Association
BE	Branded Entertainment
BTL	Below the Line
CEA	Corporate Hospitality and Event Association
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CH	Corporate Hospitality
CLV	Customer Lifetime Value
CP	Corporate Philanthropy
CSR	Corporate Social Responsibility
FIFA	Federation de Internationale de Football Association
GDP	Gross Domestic Product
HIH	HIH Insurance Limited
IBM	International Business Machines
IT	Information Technology
IMP	Industrial/International Marketing and Purchasing Group
KMO	Kaiser Meyer Olkin
KMV	Key Mediating Variable
MBD	Market and Business Development Limited

PC	Personal Computer
PGA	Professional Golfers Association
RM	Relationship Marketing
SME	Small to Medium Enterprise
SMS	Short Message Service
VRC	Victorian Racing Club
US	United States of America
UK	United Kingdom
WoM	Word of Mouth

List of Publications

A number of refereed conference papers and a book chapter were produced during the course of this study and these are listed below.

Drake, C.N., Jago, L., Deery M (in publication March 2011) Corporate Hospitality: an appraisal of marketing effectiveness. In Barron, P. & Ruhanen, L. (Eds.), Contemporary Issues in Tourism and Hospitality Research Oxford: Goodfellow Publishers

Drake, C.N., Jago, L., Deery, M (2010). What future for Corporate Hospitality Post the GFC? An appraisal of marketing effectiveness. Proceedings of the 2010 CAUTHE conference, Hobart, Tasmania 1-16

Drake, C.N., Jago, L., Deery, M (2009) Corporate Hospitality at Special Events is it Fundamental in B2B Marketing Communications or just 'froth and bubble'? Proceedings of the 5th International Event Management Summit: Sustainable development and events 4th Education and Research Network Australasia symposium Griffith University, Gold Coast, Queensland 228-232

Abstract

This thesis examines the use of corporate hospitality (CH) at special events and draws upon relationship marketing theory to test the impact of the practice on brand equity, specifically customer loyalty and purchase intention. The research sought not only to explain the phenomena and the constituent parts of a CH experience but to also understand how it affects attitudes and behaviour within an organisational marketing communications context. To better understand the discipline it was important in the first instance to test a range of elements that contributed to a guest's corporate hospitality experience. Knowing the constituent parts and how those elements may influence the experience was the first question asked of the study. At the core of this research though, was the examination of whether CH used as a marketing tool could improve elements of brand equity for the host organisations that employed it. Principally this could be answered by the second of the research questions that asked does CH have a positive effect on elements of brand equity. In conclusion, the research sought to investigate whether relationships existed between demographic elements of guests attending corporate hospitality at special events and their loyalty or purchase intentions towards a host organisation?

The rise of corporate hospitality has occurred at a time of growth in the staging of special events around the world along with the corporatisation of many sporting codes. This confluence is mutually related as higher yielding audiences have been sought by event owners seeking to underwrite higher event operational costs. Establishing legitimacy for Corporate Hospitality (CH) remains a priority for practitioners eager to justify for marketing budgets. CH has emerged in parallel to the concept of relationship marketing as an elemental theory in contemporary marketing. Relationship Marketing (RM), simply described, is a focus on retention and development of customers rather than acquisition, with the emphasis on customer lifetime value rather than a short term transactional focus. The RM concept is embedded in this research where the role of corporate hospitality as an engagement tactic is assessed around brand equity issues. It is argued that most marketing theorists have been too narrowly focussed in their research of relationships often using a single predictor variable, that being customer satisfaction,

rather than seeking to develop a broader understanding of those variables that could predict success or failure in relationships (Hennig-Thurau et al. 2002). This thesis explores the provision of CH as a special treatment benefit within B2B relationships in the framework of providing evidence of its effects. The proposed model draws from the marketing literature a range of existing relationship marketing and response theories and considers a range of elements that influence a corporate hospitality experience.

The model is tested using a two-stage methodology. Stage one involves gathering exploratory data (qualitative) to contextualise the role that CH plays in organisations in a range of industries. The second stage tested attitude (loyalty to host organisation) and behaviour (intention to purchase) important in measuring changes in brand equity. Stage Two testing was conducted by surveying the attitudes and behaviour of guests who had been entertained by a range of organisations at special events.

The findings are noteworthy because they provide support for the key research questions. Such research makes a contribution to knowledge in terms of corporate hospitality as a tool of marketing communications as it explores its potential to influence business relationships. In terms of the role that CH played on the issues of brand equity, it was found to positively influence loyalty and have a partial influence on purchase intention. In addition, the development of the conceptual model aids research and education in business events and hospitality. From the results of this research a greater understanding of the elements considered essential in optimising each CH experience have been determined.

The results provide a fuller representation of elements that guide guest satisfaction and signal opportunities for best practice. The significance for management of the current research findings is highlighted and these include the issues related to service staff and the provision of food and beverage that have ramifications not only for hosting organisations but also event and venue owners. Similarly important, results indicated that organisations incorporating CH in marketing programs require holistic plans that incorporate clear objectives, the segmentation of events and guests, appropriate training and post CH event evaluation. Although the thesis contributes to an acknowledged gap in theory, it is evident that more research is required. Opportunities for further research are proposed in the development of the model in terms of building employee and other

stakeholder loyalty as the central focus of this thesis was on customers within B2B markets. More is required to be known about the effectiveness of CH where it is used as a reward or incentive in relation to the effectiveness compared to other trade promotional activities and finally the role of business ethics and CH could be a subject for future research. In completing the abovementioned studies, it will allow the model proposed in this research to be placed in a wider context. Further to this, the results obtained in this study will likely assist the special event industry and CH practitioners to develop CH programs that can deliver higher satisfaction and more effective outcomes.

Key words: corporate hospitality, relationship marketing, brand equity, special events

CHAPTER 1: INTRODUCTION

1. Background to research

Globally, special events have been important on the social landscape for centuries. The rise in academic study of events has as much to do with the anthropological quest to understand more about human society and how we exist within our environment, as it does to understand the many political, economic and environmental impacts upon the communities that stage them.

Creating “hallmark events” (Getz 1989) involves, according to Ritchie (1984 p. 2), the “conceptualization and establishment of a major event which has the ability to focus national or international attention on the destination for a well defined and usually short period of time”. Special events “help mark eras and define milestones” (Allen, O’Toole, McDonnell, Harris 2004 p. 5).

The ancient Roman satirist, Decimus Junius Juvenalis (Juvenal) wrote about the concept of “panem et circenses” a translation from Latin for “bread and circuses” where he derided society for the acceptance of entertainment spectacle and cheap food used as a tactic to distract citizens from political issues or social distress (Juvenal 1982). It could be argued that the entertainment spectacle created by major events to this day provides a distraction for modern communities. More often this can provide a useful advantage to those in government who invest in these events for a range of political rather than economic reasons (Matthews 2008).

The academic interest in special events and festivals has been evident by the increasing number of studies published regarding their economic, social and cultural impacts (Sherwood 2007, Sherwood, Jago & Deery 2005, Hede, Jago & Deery 2003, Harris, Jago, Allen & Huyskens 2001). Many countries have adopted special event strategies that are seeking to capitalise on the benefits that staging major special events are designed to bring. Whether increasing tourist visitation, building destination image or underwriting infrastructure decisions, politicians have understood that there are often many benefits attributed to investment in the sector. The benefits of positive media coverage, increasing a nation's social capital and basking in the reflection of a celebratory event are by-products of staging major sporting, cultural or entertainment spectacles.

Although there has been significant academic research into the impacts of special events, these have invariably "been related to shorter term, visitation-related impacts, rather than on longer-term outcomes such as relationship development" (O'Brien 2005). Relationship development may take many forms. For those parties involved with staging special events it may involve sharing experiences, knowledge and learning, often referred to as knowledge transfer and now included as a stated obligation for prospective cities seeking to host the Olympic Games. It may also be in terms of engaging the audience for such events through the sophistication in marketing technologies allowing event organisers to engage more closely with the public through email, mobile telephony short message service (SMS) and ticketing databases. This ensures that targeted communication and advance ticket offerings are directed at those already interested in attending events, maximising opportunities for repeat visitation and building consumer loyalty to events. Special events also provide a suitable environment for socialising and for the development of relationships between event attendees.

Although it is often the public market for special events that is considered the main targeted audience, increasingly the corporate sector plays a vital role as consumers of special events. This higher yielding corporate market segment provides a better return for event owners through sponsorship, group and premium seat sales and importantly CH that is the subject of this thesis. Corporate support, predominantly through sales of CH is increasingly being recognised as the cornerstone for financially successful major events.

It is with this segment of special event audiences, most specifically, CH that is at the core of this research. CH defies a simple description as definitions of the practice are scarce. For this research, it is defined as involving the practice of extending an invitation to guests of host organisations, at no charge, to attend a memorable special event. Such events are described by Jago & Shaw (1998) as occurring once off or infrequently, allowing consumers a social or leisure opportunity that is beyond the everyday experience. Shone and Parry (2004) discuss special events as the phenomenon arising from non-routine occasions that have leisure, cultural, personal or organisational objectives. These events are set apart from the normal activity of daily life, and whose purpose is to enlighten, celebrate, entertain or challenge the experience of a group of people. Attendance usually occurs for a day or less and, as suggested by Davidson and Cope (2003), CH could take the form of a spectator or participative event. CH could involve something as simple as an invitation to dine at a prestigious restaurant with your host or a more impressive alternative such as the attendance at a major cultural or sporting event. CH when packaged with major events can be an irresistible combination to bring host businesses together with a range of their most important stakeholders.

Events have grown in significance in recent years as tourism bodies around the world invest in them to increase destination profile (Hall, 1989), build tourist visitation and generate economic benefits (Carlsen, Getz & Soutar 2000). Events have been segmented into tourism events (special events and festivals) and business events (meetings, incentives, conferences and exhibitions) (Sherwood 2007) and CH fuses both through leveraging the former for the latter. Often business events such as new product launches, conferencing or public relations exercises have been wrapped up into attendance at special events. CH therefore discretely contributes to a business tourism sector in Australia worth AUD$17.3 billion annually (Deery, Fredline, Jago & Dwyer 2005). It is argued that it does so discretely because the practice of CH is never widely publicised by the event owners nor those organisations that invest in it. Its economic contribution features strongly in sporting events tourism, itself accounting for approximately AUD$3 billion per annum of tourism revenue (Tourism Queensland 2003).

Special or “Hallmark events” (Getz 1989) struggle to exist on a regular basis without the support of corporations who contribute revenue through their patronage in terms of attendance, event marketing, sponsorship and hospitality. The Clipsal 500 V8 Supercar race held annually in Adelaide is a good example of how corporate support underpins the viability of an event. Of the 270,300 visitors who attended the 2006 event (held over four days), 45,851 of those were defined as corporate. Revenue from CH and sponsorship provided 47% or $8.33M of the total receipts of $17.68M (South Australian Motor Sport Board, Annual Report 2006). The fact that less than 20 % of the audience contributes almost half of the income of this event is evidence of the importance that corporate munificence plays.

The marked growth in staging major events around the world has created a platform for the growth in CH. Most major event organisers rely on the revenue of the corporate sector to offset the considerable costs of staging events. As a counterpoint, marketers are able to leverage their firm's involvement at a major sports or entertainment spectacle as an attractive drawcard for a wide range of stakeholders including existing and prospective customers. Objectives sought by firms involved in entertaining stakeholders through CH vary, but may include improving company profile, gaining market intelligence and relationship development (Davidson & Cope 2003). As CH is used as a marketing communications tool it is this study's aim to investigate how effective it is in its use to build loyalty and increase purchases for a host organisation.

1.1 Research problem

The discussion of special events so far has not concentrated on the business leveraging of special events through CH. As discussed, this sector is a growing part of many special event audiences. Academic studies do not presently exist to sustain practitioner claims of efficacy, in essence whether CH offers companies that provide such benefits to their stakeholders, with a competitive advantage.

This study has been devised to investigate CH and test its effectiveness in changing elements of brand equity, namely, loyalty and purchase intentions.

Primarily, the research problem comprised two distinct parts. Firstly, an understanding of what elements contributed to a CH experience was sought. As applied research, this investigation would aid knowledge in the field and could add to the very scant information related to the practice. The findings could provide academe and practitioners alike with an understanding of the range of elements present and actors involved in creating guest satisfaction. The second part of the research sought to discover whether there were tangible benefits for organisations employing the practice within marketing communications plans. In particular, this required an examination of whether the organisation employing CH obtained any marked difference in brand equity.

Specifically, two elements considered important factors in the generation of brand equity were customer loyalty and purchase intention and these two factors were required to be tested if evidence of the effectiveness of the practice of CH was to be found.

1.2 Contribution of the research

This study is important as it seeks to add to the academic and practitioner understanding of the relationships between organisations and their stakeholders. Furthermore, academic research devoted to special events has not, to date, examined the role of CH now recognised as a significant income stream for such events. Therefore, the context of this study, not only from a marketing but also from an event management perspective, is timely. The study also creates the link between operationalisation of relationship marketing through the application of special events in engagement strategies. This study will make a significant contribution to knowledge in a number of ways. The findings of such research will assist marketers within organisations to improve their relationship marketing and CH activities when results of the study are incorporated at the planning stage for such programs. Other outcomes from the research include narrowing the knowledge gap that exists in special event literature regarding the practice of CH. Furthermore, a review of the literature has not uncovered any testing of the efficacy of the practice to date, nor guidance on what constitutes best practice in the field. These findings will be of benefit not only to academe but also the many practitioners that manage CH programs within Australia and overseas.

1.2.1 Usefulness of potential applications of the research's findings

The aforementioned scarcity of academic investigation in the practice of CH along with the fact that the practice in Australia is estimated to be valued in excess of AUD$700M annually (Dann & Dann, 2004), signals that addressing the gap in knowledge is worthwhile.

In summary, the contribution to knowledge is expected through:

- Providing a synthesis of existing work related to CH and event marketing as it relates to brand building and motivation to purchase. In particular the research will draw upon the academic contribution of research in relationship marketing of Gummesson (2001), Gronroos (1996) and Hennig-Thurau and Hansen (2000) along with the Dick and Basu (1994) research focussed on (B2B) brand loyalty.

- Examine and investigate the elements that comprise the activity of CH in Australia, and therefore obtain an understanding of the individual external and internal factors that influence its role in achieving business objectives.

- Develop and test a conceptual model for academic and practical application that demonstrates the role that CH play in a marketing communications strategy influencing corporate buyer loyalty and purchase behaviour.

1.3 Justification of the research

Tourism in Australia contributes $9.1 billion towards GDP and influences the employment of 10% of the workforce (Tourism Australia 2007). Davidson and Cope (2003) identify CH fitting within the niche of business tourism. Events and CH are key components of business tourism, hence the study delivers insights into an important part of Australia's economy. Revenue provided by CH plays an increasing role in defraying costs to stage major special events. As such, the economic contribution of CH plays a role in event sustainability. As Hede (2004 p. 6) states, "future research on special events needs to be a part of a strategy aimed at optimising the sustainability of this area of tourism". Likewise, examining how and why events are leveraged by businesses for marketing purposes is also worthy of consideration based on the increasing role of marketing metrics and accountability.

1.4 Relative neglect of the specific research problem

Although it could be argued that there has been a relative surfeit of research into the field of special events, many studies have been aimed at evaluation processes and motivation for attendance rather than examination of audience segments or business leveraging. This study fits within a niche in the events literature that has so far remained largely unexamined. In terms of marketing literature, a review of the current literature indicates that there has not been an adequate examination of CH (Bennett 2003) and an implication that more needs to be known. Within the marketing literature it is widely acknowledged that traditional marketing channels are under threat.

The way businesses engage with their customers is changing with the advent of new technologies (new media) and more sophisticated engagement strategies. CH is a below the line (BTL) marketing expenditure, and such expenditure is escalating. It is therefore appropriate that today's marketers require a greater understanding of such practices as CH and its role within business to business (B2B) markets. The potential role of this research in informing a broader marketing framework therefore cannot be underestimated.

1.4.1 Importance of special events, event industry and corporate hospitality

The rise in special events globally over the last 30 years shows no sign of slowing and new markets in developing countries such as China, India and Africa herald a new era for a truly global major event market. The event industry as a result, has become more competitive, highly skilled and a major employer. Corporate support for special events exhibited primarily through sponsorships, premium seat sales and CH will continue to be a sought by event owners cognizant of the significance of securing the financial return from this targeted audience.

1.5 Method

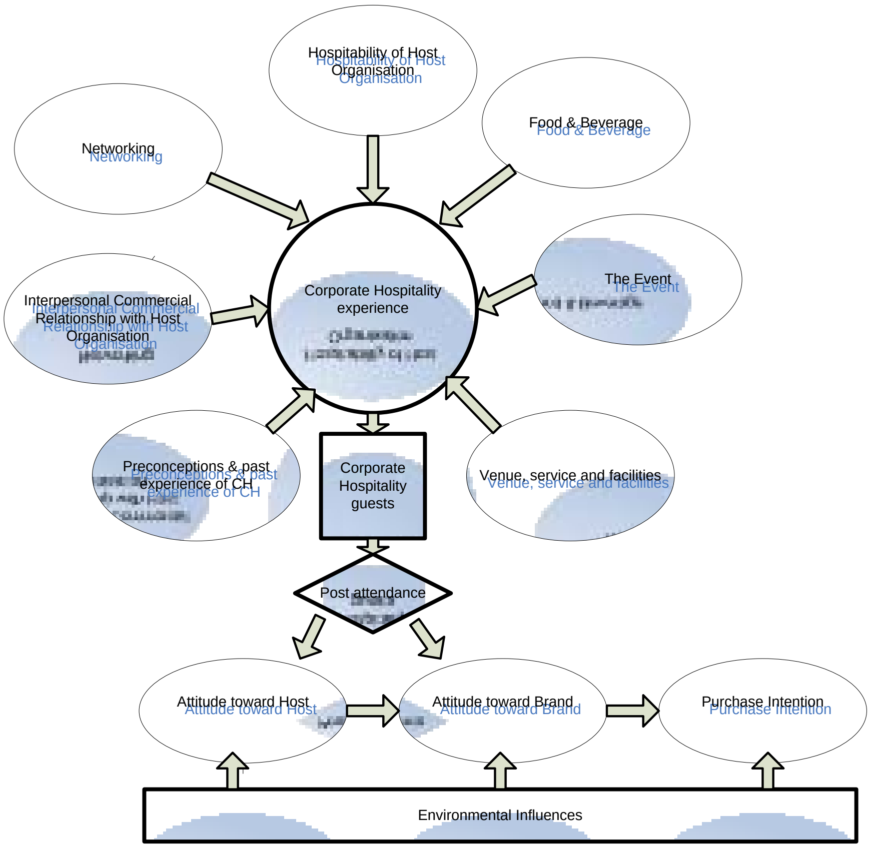
CH may be used to engage several stakeholder groups in a business to business (B2B) environment. Apart from customers of a host organisation, other stakeholders such as suppliers, trade associations, board members and the media are commonly invited to attend a major sports or entertainment event. Not withstanding the potential role of the aforementioned stakeholder groups that may contribute to a business's success, the purpose and primary focus of this study is defined specifically within the bounds of the relationship forged with customers (buyers) of a firm in B2B markets. The geographical location of the research is Australia, a country that offers a strong special events calendar and robust CH sector. The study was designed in two phases using a mixed methods approach. This included qualitative research for inquiry purposes and quantitative research for measurement and validation. The first phase involved depth interviews conducted with 15 informants drawn from senior management positions within organisations involved in the provision of CH, referred to as host firms or host organisations.

Based on these interviews, a questionnaire was developed for the second phase of the research that was administered to guests who had attended CH at special events. This survey was administered via email to 206 respondents and sought to identify patterns and descriptors of the attitudes and behaviour of CH guests. The data collected were subjected to multivariate statistical analysis to inform, as well as, test hypotheses.

1.6 Outline of the thesis

The thesis is structured into eight chapters. Following the introductory chapter, an appraisal of the literature begins in Chapter Two. Initially this has been done by way of an analysis of special events and CH through a synthesis of secondary research published in these fields from predominately academic sources. Chapter Three concludes the literature review with a focus on relationship marketing considered a key construct in the role that CH plays within a marketing communications framework. Chapter Four presents the conceptual framework for the research; it discusses definitional terms and the operationalisation of these concepts within the research. It introduces the conceptual model, the actors identified within that model and the hierarchy of effects (Lavidge & Steiner 1961). Furthermore, it introduces the elements within the conceptual model (Figure 1.1) and a map of CH decision making. Chapter Five introduces a detailed discussion of the methodology applied to the research. It outlines the design of the survey instrument as well as the method of data collection. Chapters Six and Seven present the results of the separate phases of the research in the context of the research themes. Chapter Eight, discusses the findings of the research phases as well as the conclusions of this thesis.

Figure 1.1. Conceptual model to test effects of corporate hospitality on attitudes and behaviour toward host organisation and brand



1.7 Delimitations and key assumptions

In conducting a study of CH where relationships between host organisations and their customers are examined, several issues need to be considered. Often firms operate several different marketing communications and customer relationship programs simultaneously. CH may be one part of a suite of tactics used to engage with customers aimed at building custom and loyalty. Therefore, it must be stated that, although the study seeks to provide insights into the influence of CH on commercial interpersonal relationships existing between firms and their customers, it may not fully explain all cases within these relationships where attitude and behaviour impact brand equity.

The study, as has been previously stated was conducted in two phases using a mixed methods approach. In the first phase, 15 senior executives including two involved in a pilot study were interviewed for the qualitative stage and in the second, 206 middle and senior executives were sourced. The sample for the study is considered adequate to draw conclusions from although the sample size of the second phase may be considered disproportionate in terms of diversity and gender and not large enough to draw inferences that could reflect attitudes from a wider population of middle and senior managers.

1.8 Summary

This chapter has introduced the basis for the study. It has introduced the research problem and research issues. Justification for embarking upon the research was outlined and the methodological approach taken for the study was also briefly discussed. The way the thesis is presented was outlined in this chapter and the way the results will be reported was stated. On this basis, the thesis follows with an introduction to special events and CH comprising the first part of the literature review.

CHAPTER 2: SPECIAL EVENTS & CORPORATE HOSPITALITY

> "When I see a merchant over-polite to his customers, begging them to take a little brandy, and throwing his goods on the counter, thinks I, that man has an axe to grind"
>
> Benjamin Franklin writing as R Saunders (1739)

2.1 Introduction

This chapter discusses the role that special events play in society and the symbiotic nature of CH at those events. Special events have grown from symbolic gatherings and religious rituals to encompass a wide range of human social interests and needs. This chapter seeks to explain the role that CH plays at special events. It begins with a discussion of events, followed by an examination of the academic attention paid to the identification and measurement of event outcomes and then discusses event marketing strategies used to leverage them such as CH. As it is the focal point of this research, CH is explained in detail and its role in influencing consumer behaviour in a B2B setting is discussed.

Special event consumers, like consumers globally, are now more sophisticated and this has resulted in rising expectations of event experiences. CH as a service at special events has been driven by consumer and business demand for more sophisticated event experiences (Wicks & Fesenmaier 1995) and therefore warrants attention.

Attending special events involves a degree of "what anthropologists call cultural remission, a temporary relaxation of a society's normal rules and social constraints" (Fox 2004, p. 3). The CH experience at a special event allows inhibitions to be relaxed, whilst ensuring a reasonable level of decorum prevails. The opportunity to engage with stakeholders, in an environment that is away from the confines of the workplace, often outside traditional working hours, can provide unparalleled access to those invited guests who otherwise may be difficult to meet. The environment offers an almost neutral territory as it is neither an organisation's principal place of business nor that of the guests. The offer of high calibre catering and fine wines is an added drawcard (Chetwynd 1998).

2.2 Definition of special events

The term 'special events' is used by practitioners and academe alike and offers a variety of meanings. To consider the term it is essential to understand what is meant by the word event. Getz (2007 p. 18) contends that the literal meaning of an event is "an occurrence at a given place and time; a special set of circumstances; a noteworthy occurrence". Most importantly, it must have a distinct beginning and an end. Further, Getz argues that regardless of the use of the term in many different fields of scholarly endeavour such as physics, medicine, climate and philosophy for example, the temporal, rather than the spatial, dimension is often more important.

Allen, O'Toole, Harris and McDonnell (2008 p. 12) state that, "the field is now so vast that it is impossible to provide a definition that includes all varieties and shades of events". Whether the special event is held for business or leisure, social, cultural or religious reasons, several characteristics remain the same. Specifically, "the event must be consciously planned and is sought to mark a particular occasion" (Getz 2005, p.16) regardless of whether that purpose is for celebration, commemoration, or sporting contest.

Such is the recognition of the South American Mardi Gras event that it offers a postcard of Rio de Janeiro to the world. This annual special event symbolises an enduring South American tradition wrapped in colour, music, fashion and movement. What makes the Mardi Gras such an iconic event is that it is instantly recognisable by people around the globe and that the positive image projected by the event continues to drive visitation and economic benefit to the destination long after it is over.

The interest in the academic study of events is a relatively new phenomenon. There are now several ways to classify planned events. These have traditionally been segregated by form or typology. Specifically, an event can be described through how it looks and how it is programmed. Thus a sports event could be a recreational pursuit such as a "City to Surf Fun Run" or a competitive and gladiatorial conquest such as the Ashes cricket tests held between Australia and England. In terms of perhaps the best known and most high profile sporting event, the Olympic Games held once every four years, this is deemed a "Mega event" (Marris in Getz 2005 p.18).

Mega events are so named because of their scale. They capture world attention, generate massive media attention, increase visitation and change indelibly the country in which they are hosted through social, political and economic impacts (Hall 1992, Getz 2005). A successful bid to host a mega event such as the FIFA World Cup or the Olympics requires an investment in excess of $500m by the host country and delivers, in many cases, inconclusive benefits (Burton 2003). It therefore requires substantial political fortitude and confidence to engage in this level of special event. Preuss (2000 p. 14) discusses an Olympic games bid and highlights that the bid and delivery of such an event is often steeped in mystery through the complex and sensitive nature of marketing and financing and concludes that "staging this mega-event bears a financial risk for all hosts".

With the explosion of recent event research, interest has been focussed on assessing the impacts of special events (Harris, Jago, Allen & Huyskens 2001). Chiefly, benefits cited by proponents for hosting such events, include the rise of business and leisure tourism, the creation of new infrastructure such as hotels, arenas and stadia and the urban regeneration of often underutilised land (Burton 2003). The impacts of the abovementioned benefits are somewhat easier to measure than those where a lag occurs. Such legacies, occurring post event include greater destination awareness, increased infrastructure and enhanced opportunity for inbound tourist visitation. Those lag effects such as sustainable employment and economic prosperity provide researchers with a more difficult task to measure and consequently politicians may struggle to justify the investment of public money in staging such large events.

At the centre of the research for this thesis are "Hallmark events". These events were first described as such by tourism and event researcher Ritchie (1984). He stated that these events symbolise a certain uniqueness, quality, and status. Getz (2007 p. 24) argues that these events have an "authenticity and… a distinctive feature" which creates an invariable link to a specific location or destination. This is certainly the case with the aforementioned Mardi Gras. Getz argues that most significantly, the nature of recurring Hallmark events is "that they form an important part of the image or branding" (p. 24) of the host destination and community and not only do they provide but also feed off place identity. The term hallmark although recognised by academe for its significance in categorising events appears to have limited adoption by way of the media, practitioners or the general public when discussing such events. A preferred term appears to be “iconic” event (Getz 2007) when discussing events that are considered of such symbolism and significance to a host community or destination.

A Victorian hallmark or iconic event is the Melbourne Cup. This two mile (3200m) horse race branded as “the race that stops the nation” (Monteith 2009) has long been woven into the very fabric of Australian society. The inexorable link between the city of Melbourne and “the Cup” has been forged over more than a century. It is followed and revered with almost religious zeal and continues to provide a sustainable competitive advantage for its host community. Its role as a celebratory event, marked by the observance of a public holiday in Melbourne allows over one hundred thousand race-goers to attend. Such is its significance that the event echoes throughout Australia where surrogate events are held via televised satellite links. It is this sense of excitement and commotion that leads this event to be deemed the “race that stops the nation”. Rather than reflect on the potential negative connotation that gambling on horse races ultimately creates more losers than winners, the favoured message is a celebration of horse flesh, high fashion and champagne, a theme that resonates with a corporate audience.

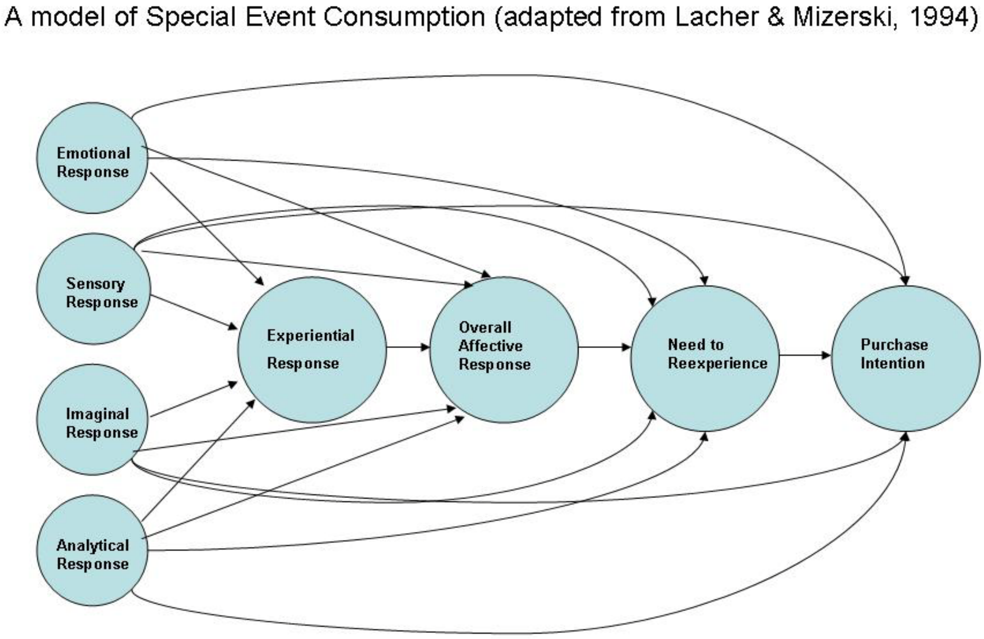
2.3 Events as experiential products

Such is the need for stimulation; humans thrive on entertainment as an integral and consistent part of everyday (Holbrook & Hirschman, 1982). Berridge (2007) states that “other forms of communicating are now becoming so saturated, strategically, events can offer a more direct and experiential relationship between brand and consumer.” As events provide spectacle, they offer a rich sensory experience that can provide pleasurable experiences for participants and spectators alike. The attendance by patrons at special events and festivals is deemed hedonic consumption. Hedonic consumption is a form of consumer behaviour that focuses on the “experiential aspects of the consumption experience which are subjectively based” (Lacher 1989 p. 367) or as discussed by Holbrook and Hirschman (1982 p.132) “the primarily subjective state of consciousness with a variety of symbolic meaning, hedonic and aesthetic criteria”.

Attending an event is not dissimilar to other service purchases. There are often a number of reasons for consumption; Lacher (1989) studying music consumption indicated that three variables played a significant role in purchase behaviour. These three reasons were identified as emotional stimulation, cognitive stimulation and situational factors.

It could be argued that there is a parallel between Lacher's research and that of the role of attendance at a special event. Emotional stimulation requires the event to evoke an emotional stimulus in the attendee. Whether that is as a result of the theme or event typography or the expected audience, an attendee needs to be moved in such a way as to want to experience it. Secondly, Lacher indicated that cognitive stimulation needs to occur. In a major sporting event such as an international soccer fixture, the spectator needs to be engaged to follow the referee's rulings, the score line and the individual players. All of these examples provide mental stimulation. This may be evident in the ability to decipher the rules and keep score or make an assessment of who could be considered the player of the match. To interpret this event requires a cognitive ability. Lastly, Lacher (1989) discusses the importance of situational factors. This could involve the location of the event being held, the quality of the facilities and the entertainment provided. Minor, Wagner, Brewerton and Hausman (2004 p. 18) state that event attendees have "different reasons for attending events featuring live music" and elaborate that offering different environments within an event setting for different audience groups may contribute to greater satisfaction with event attendance. Indeed these factors are equally valid for attending CH embedded within special events.

Figure 2.1 A model of special event consumption (adapted from Lacher & Mizerski, 1994)



Adapting Lacher and Mizerski's (1994) model of music consumption to that of a special event attendance shows that both sensory as well as cognitive forces shape attendance. The fact that hallmark events often occur annually is testament to a public that desires to re-experience the emotions, spectacle and imagery of such an event and this in turn drives their intention to re-purchase tickets to attend. Where CH has delivered positive outcomes for those organisations investing in it, the intention to repurchase facilities is made each year. Demonstrating this are the examples of the Australian Open Tennis Championship and Melbourne Cup Spring Racing Carnival where some corporate clients have repurchased the same facilities for up to 20 consecutive years (VRC 2009).

2.4 Impacts of special events on host communities

Getz (2007) argues that staging major events can bring about several complementary objectives for those cities seeking to host them. Beyond the more obvious destination marketing and branding opportunities provided by staging such events is their role as “catalysts in major redevelopment schemes” (Getz p. 144). Special events are significant to cities and this has been well documented in the literature through the social, tourism and economic benefits they may provide (Getz 2005, Goldblatt, 2004, Hall 1987, Ritchie 1984,). Academic debate continues regarding the most effective method to measure the role of special events on their host communities (Crompton & McKay 1994, Burgan & Mules 2000, Hede, Jago, Allen & Huyskens 2003). This should not be entirely surprising; the range of measurement models employed in assessing special events vary and, consequently, so do the results. These studies have usually been based on economic variables although less tangible impacts such as social cohesion, quality of life and nation building have gained recent attention (Evans 2005).

As staging a special event usually requires considerable public investment, there is often a requirement to provide a justification for the allocation of these funds where other social needs remain unmet. Wood, Robinson and Thomas (2006 p. 81) posit that “in the current economic climate, spending on civic events is easier to justify if the case for a positive impact on the economy is made”. It is perhaps political imperatives rather than the accountability that extends to the private sector that has precluded more accurate reporting of special events. Crompton and McKay (1994, p 33) indicate that many economic impact assessments for special events are ‘undertaken not to find the true impact, but to legitimise the event’s public support’. Recent academic attention has been drawn to the lack of standardised measurement (Getz, 2000, Carlsen, Getz & Soutar 2001, Fredline, Raybould, Jago & Deery 2004, Sherwood 2007) and toward the inherent problems that exist when comparisons of event outcomes are derived with different models (Sherwood 2007).

The latest progression of this research is the incorporation of non-financial markers such as social and environmental impacts as suggested by (Sherwood 2007, Sherwood, Jago & Deery 2005, Fredline et al. 2004, Dwyer, Mellor, Mistilis & Mules 2000) and the suggestion of adoption of a Triple Bottom Line (TBL) approach for assessment of special events (Sherwood 2007). Notwithstanding the current approach to special event studies, there has been scant attention paid to how the success of a Mega or Hallmark event improves longer term objectives.

Even less academic attention has been paid to the role that such events play in terms of the engagement in longer term business and host community objectives (O'Brien 2006). Special e vents have the capacity to continue to ripple through the economies of host destinations well after they have occurred through the leveraging and legacy opportunities presented. Such longer term impacts may be recognised through the political fortunes of the politicians or organisers involved with a bid or staging organisation or in the legacy such as infrastructure or business investment. It has been stated that the media interest that surrounds such events creates a wellspring of attention that is leveraged by many opportunists. Mitt Romney's 2008 US presidential campaign, although ultimately unsuccessful did benefit from his increased profile as chief of the successful 2002 Salt Lake City Olympic Games (Yoon, Bash & King 2008).

Due to the often significant investment by governments committed to service, the needs of major events through public services, infrastructure and organisational subsidies (Chalip & Leyns 2002), further understanding of the area of leverage is needed. Dwyer et al. (2000 p. 175) argued that events can indeed provide opportunities for fostering "business contacts". O'Brien (2006) states that the organised leverage of the Sydney 2000 Olympic Games through the Business Club Australia (BCA) program represented a quantum shift in host city games leveraging. This occurred through Sydney positioning itself to ensure that business relationships forged through this mega event remained durable to allow a post games legacy for the host destination. The objective was to attract new investment by trans-national corporations in Australia and to further develop and enhance trade opportunities for Australian exporters.

The blending of the relatively new sector of sports tourism (through participation or as a spectator) and business tourism determined as "where the trip is not undertaken for leisure purposes" (Mair & Thompson 2006 p. 51) has signalled a new dimension in the understanding of the attraction of audiences to hallmark and mega events. Such is the drawing power of the spectacle that attendance at these events can now be leveraged far beyond those leisure tourists or general public hence the increasing propensity to market such events to a corporate audience.

2.5 Special event marketing and leveraging

Special event marketing is considered one part of what is deemed Branded Entertainment. The Branded Entertainment (BE) (Veronis Suhler Stevenson Communications Industry Forecast 2007) sector in the United States is estimated at US$20 billion within the $254 billion Marketing Services sector representing almost one third of all media spending. Although the figures stated are for the US economy, the growth, in branded entertainment is likely to be reflected in other developed economies. BE offers an alternative to traditional streams of mass marketing and seeks to use advertising and marketing vehicles that connect directly with a target market. It could be argued that there are several comparisons that can be made between the objectives of broader event marketing and CH. Both offer the ability to leverage an event, to position a brand, deliver a targeted audience and use a medium that offers the potential of a better cut-through to a consumer than that offered via mass media. The role that CH plays at special events is most typically as part of a B2B marketing program whereas most forms of event marketing are based on B2C (business to consumer) marketing. Roslow, Nicholls and Laskey (1992) have stated that there exists a strategic position by advertisers at hallmark events through the increased level of excitement and interest by consumers at such events. Sponsorship, product giveaways, promotions, event advertising and CH are all commercially exploitable event marketing properties special event organisers use. These event marketing techniques are used to deliver either a primary audience (at the event) or a secondary one (via televised coverage).

2.6 Definition of corporate hospitality

In this section of the chapter a discussion of the practice of CH at special events is considered. It is therefore essential to understand more clearly what is meant by this term, CH, in the absence of a clear definition in the literature. The term corporate, is derived from the latin *corpus*, meaning body. In terms of the business community the word corporate can refer to a legal entity of either a publicly traded or a private or not for profit 'corporation'. Although a corporation is only one form of an established business entity the use of the word corporate pervades across other types of businesses such as co-operatives, partnerships or sole traders. Therefore, joining the 'corporate sector' does not automatically require one to be part of a corporation. In the definition of CH, the term corporate has been defined as pertaining to the business community rather than the narrower legal definition provided for the corporation.

In this examination perhaps of CH clearly a definition (if possible) of hospitality is required. The French philosopher, Derrida, wrote widely on the subject of hospitality and in examining hospitality noted that its etymology could be traced to three distinct words, "stranger, guest and power" (Derrida cited in O'Gorman 2006, p. 51). Where this fusion of the guest and host (stranger), meet at a pre-determined venue, results in hospitality, and a benefit is provided by one party for the other. Perhaps this is better put by O'Gorman (2006 p. 56) who states "hospitality exists within a lived experience; and is a gift given between the "host" and the "guest", which turns a stranger into a friend for a limited period of time". CH can be described as hospitality that is extended by a company or organisation rather than an individual seeking to entertain a guest or guests. Bennett (2003 p. 229) states that "CH involves events and activities organised for the benefit of companies that wish to entertain clients, prospective clients or employees, at the company's expense". Unfortunately, this description negates the role of CH as a tool of influence on other stakeholder groups such as the media, politicians, suppliers, celebrities and partners of guests (Allen, Harris, O'Toole & McDonnell 2008). The definition of CH used for this thesis is:

CH involves the practice of extending an invitation to guests, at no charge, to attend memorable special events or other types of organised activity most frequently occurring for a day or less.

An exception to this description concerns the length of time whereby some hallmark or mega events such as Grand Prix, FIFA World Cup or Olympic Games may involve guests flown to a destination and entertained over several days. In addition the provision of an exquisite meal at a celebrated restaurant may also be considered CH however the focus of this thesis is channelled towards the application of CH in a special event setting. These types of events may include attendance at professional sporting code fixtures such as AFL, rugby or soccer, PGA golf tournaments, Tennis or a range of cultural events such as opera, theatre or concert attractions.

Davidson and Cope (2003) contend that CH may be either in the form of spectator events or participative experiences. Such participative experiences may be in the style of corporate golf days, motor racing or rally driving track days or employee team building exercises such as white water rafting or ballooning. The basis of this study is centred on the non-participative activities of CH delivered to stakeholders at major special events.

CH is principally a marketing instrument. CH is a service product offered to an organisation or individual allowing them at a price premium to access an exclusive event related experience not available to the wider event audience. In terms of its use, principals within organisations extend invitations to such events to their stakeholders for a range of different motives, but chiefly to assist in achieving business objectives. It could be argued that it is, in itself, a form of experiential marketing, where an organisation brings together a range of stimuli whenever it interacts with the customer, rather than focussing solely on products and services (Schmitt 2003).

To discuss the role that CH plays, it is first important to discuss what it is not. CH is not sponsorship of an event. Sponsorship, described by Meenaghan (1991 p. 36) is considered "an investment, in cash or in kind, in an activity, in return for access to the exploitable commercial potential associated with that activity". One of the reasons for inconsistency in definitions is that CH is often incorporated when event managers, seeking business support, bundle a range of products and services into an event sponsorship package. It is important to note that this research does not consider where an investment in CH provided through a broader sports or event sponsorship package is representative of most decisions to invest in CH. Such broader commitments to be involved in the holistic support of an event have often been made with other marketing and promotional objectives in mind. Event leveraging through sponsorship where a corporate or social objective is the overriding focus runs contrary to a decision to invest in a CH facility for the purely marketing gain expected from the invited guests. Therefore, access to a special event through the purchase of CH alone does not necessarily imply a third party endorsement of the event, merely the opportunity to be a part of it.

To further illustrate this issue, CH cannot be described as Corporate Philanthropy (CP). CP is best described as business support offered to an event or activity to increase a company's brand or image, as a form of public relations but where no explicit direct "return" is implied or stated (Porter & Kramer 2002).

For CH to be successful in engaging its intended target audience, it needs to proffer something special. Offering a couple of theatre or sporting tickets to a corporate client fifteen years ago may have been met with warm acceptance whereas today it would be most unusual not to ensure that hosting, parking and a sumptuous meal would accompany it. Therefore, such offers need not only to be special, but personalised toward the market they are serving and that requires an understanding about the guest and preferences of how they like to spend their leisure time (Warren cited in Fitzgerald 2002). Beulah and Cope (2003 p. 239) argue that "many of those invited to CH events are often blaśe about attending yet another prestigious performance". With the acceptance of Relationship Marketing as a bona fide practice (refer Chapter 3), the profiling by firms of clients behaviour, interests and family arrangements allows the modern day marketer to marry an attractive CH offer to a more often willing target. To reinforce this point, Steiner cited in Fitzgerald (2002 p 2.) states "we're having to go further to get them to take time away from their families and personal life for business events".

2.7 Corporate hospitality in a special events context

CH now plays an increasingly important role in special events. Attending these events allows people "to participate in a collective experience which is distinct from everyday life" (Getz 1989, p. 127). CH has the capacity to enhance those experiences. Getz (2007) suggests that planned events can be categorised through function or form. In terms of Getz (2007 p. 22) typology of planned events, those that most commonly suit a CH experience are more often arts and entertainment or sport and competition focussed. This does not preclude other types of planned events in offering a CH overlay, such as those with a political, business, trade or education and scientific focus; however this thesis is predominantly concerned with the aforementioned rather than the later types.

Hallmark events struggle to exist on a regular basis without corporate support contributed from event marketing, sponsorship and hospitality. CH, therefore, plays an increasingly vital role in underpinning income and attendances at hallmark events.

Private research (MBD 2006) valued CH in the UK in excess of ₤1B per annum and found it was growing annually at 5%. Moreover, it represented 5% of the value of all advertising spending in the UK as recorded by Baxter (cited in Bennett 2003). In the last ten years, characterised by strong economic growth and company profits, the appetite for companies to offer unique “money can’t buy experiences” has shown unprecedented growth. CH expenditure at one US hallmark event, the Superbowl, is reported to exceed US$200 million each year (Fitzgerald 2002).

In one of the few evaluations of CH, the Australian CH review (Sparten 2004) values the Australian sport CH market at between $428 and $730 million per year. This figure excludes the contributions from the arts, cultural and entertainment sectors. Within contemporary marketing and hospitality literature, CH is given little coverage which is an anomaly given the economic contribution of the activity and the way it features in many business to business, below the line marketing strategies. Considering the aforementioned value of CH, the legitimisation of the practice should be considered a priority for practitioners and of significant interest for marketing scholars alike.

2.8 The work/life balance paradigm

Attending a CH invitation at an event creates an opportunity to combine both business and leisure. Extending an invitation of attendance to a partner or other family member of a guest can ameliorate the commitment of time. Hacker & Doolen (2003 p. 284) argue that life is a balancing act and that “balancing does not embrace the integration of life, but rather depicts life as a set of competing priorities”. To assist those employees seeking to balance the needs of family, work, health, financial, spiritual and career aspirations is considered good human resource practice. Firms that integrate work/family and work/life human resource policies have been the subject of research (Rothausen, Gonzalez, Clarke, O’Dell 1998, Grover & Crooker 1995) and findings include greater employee and job satisfaction, higher retention and increased productivity.

This paradigm to balance priorities in life becomes increasingly difficult as the expectation for many senior executives is to be “on-call” to the demands of business. It is ironic that a work related business activity in terms of an invitation to attend an event through CH should play a role in balancing work and life obligations. This veiled benefit of the practice may indeed be cited in the explanation of its popularity. The increasing role of using tickets to special events and CH as a staff motivational tool seeks to integrate a CH program through all tiers of an organisation rather than the perception of an exclusive preserve of the upper echelons of a firm. An example of this in practice is the integration of a wide ranging staff incentive scheme by Woolworths and Australia Post actively integrated into their corporate support of the 2006 Commonwealth Games in Melbourne (Leyden 2006). By delivering CH programs through a wider cross section of stakeholder groups assisted in demystifying the practice, engendering employee support and better leveraged the event properties.

2.9 Aims of corporate hospitality

There is no clear consensus between academics and practitioners on the ultimate aim of CH. What is known is that it forms part of an organisation's relationship management effort, regardless of whether that takes on the role of an organised or informal program of activities. Furthermore, CH seeks to increase brand awareness and brand image. Both elements contribute to customer-based brand equity "it is the consumers who ultimately decide the success of the company's branding efforts" (Tripodi 2001, p. 7). The concept of brand equity and how CH may influence it is at the core of this research. Keller (1993 p.2) has identified customer-based brand equity as "the differential effect of brand knowledge on consumer response to the marketing of the brand".

CH is an important brand building technique. When used as part of an integrated marketing communications plan it seeks to position the brand, through using memorable experiences for invited guests at special events to enhance an organisation's ethos and image. It is invariably used as an external marketing technique to bring stakeholder groups closer to the host organisation.

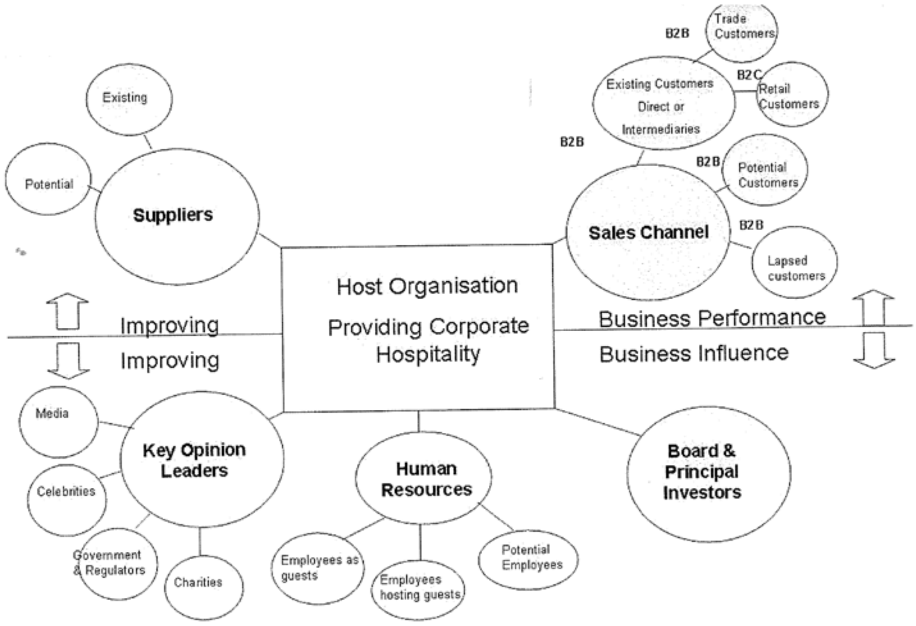
Beulah and Cope (2003 p.230) suggest that CH may achieve one or more aims. These may be:

- to create a positive and favourable impression of itself with a target audience
- to develop a relationship with, and the allegiance of, a target audience

- to stimulate potential customers and advocates to aspire to future guest status
- to use the corporate event as a showcase for its own products and services

Bennett (2003 p. 238) examined the role of CH as a strategic tool in a marketing mix for firms. His research indicated that rather than the “ad-hoc” approach to CH that had been a feature of previous surveys, the majority of organisations were cognizant of the requirements of setting objectives, locating the practice inside a wider marketing communications framework and evaluating the results. To demonstrate how CH is used to achieve different business aims, Figure 2.2 proposes that it operates for diverse reasons for different stakeholders. Regardless of the reason, the expected outcome is designed to improve overall organisational performance. To demonstrate the action of a broad CH program it is essential to discuss how leveraging each stakeholder relationship through CH could reward the host organisation. If the goal for such a program was to sell more products and services (increasing demand for the firm) engaging with the sales channels would signal the most appropriate use of a CH program. If improvements to supply side expenditure such as improving the terms of trade or increasing purchasing power then engagement with present or potential suppliers would be a more appropriate role for the CH program. If, however, the organisation wished to improve public relations including to boost its profile, reputation or image, stakeholder groups necessary to assist in these areas of influence (key opinion leaders, staff or investors in Figure 2.2) would be better suited recipients of CH invitations if that strategy was pursued.

Figure 2.2 Corporate hospitality and its role in organisational performance



2.10 Lack of measurement in corporate hospitality

Marketing expenditure, unlike other business costs such as plant or labour, has often been criticised for its lack of accountability and efficacy. One common industry adage that explains this conundrum was shared by a CEO who expressed that he was confident that half of his advertising budget was working; the problem was he wasn't sure which half! Although CH may be used as an incentive for management and staff or other stakeholder groups, it is most often used as an external marketing technique. It competes in this space with other forms of external marketing, such as advertising, promotions, public relations and trade shows. Quite specific measurement is possible with many of these marketing instruments. If a trade or retail sales promotion is devised for example, the number of units sold would provide a form of measurement to assess the efficacy of that promotion. Similarly, the effect of a public relations campaign can be monitored based on the number of "column centimetres" of editorial copy published in trade or retail press, interviews aired or other so designated methods. It is perhaps to the chagrin of CEO’s and CFO’s within the business community that it is so much more difficult to be able to qualify the success or otherwise of a CH program.

Upton (1998 p. 30) records an executive from the major UK company Unipart, who recounted in relation to a CH program: “There is no definitive measurement but it builds rapport and an opportunity to talk freely in a social environment.” He further added that “It opens doors, and clients understand our ethos. There is no price to be put on that”. Clearly, not all firms would be satisfied with such an unquantifiable outcome as this which underlies the rationale for further research and identification of CH best practice.

For event owners CH offers an audience capped only by the capacity of the event facilities and the host organisation’s budget. When discussing how businesses use CH, Allen et al. (2008) state that all business events need to support business objectives, therefore, CH could be categorised alongside activities such as trade shows, media conferences and product launches. It is not just the preserve of big business to incorporate CH into marketing plans.

The growth, and improved range of facilities and packages as well as the entry of syndication through intermediaries has allowed many small to medium enterprises (SME) to entertain their clients in the same way as major corporations (Croft cited in Davidson & Beulah, 2003). For a marketer viewing CH as part of a wider marketing program, the same philosophy is applied to each decision made regarding placement of scarce marketing resources. Any investment placed in each medium requires the attraction of the right potential customer at a cost that proves effective. Conventional advertising campaigns in the mainstream media may run for weeks or months but a special event may be for only one day. Therefore, it is essential in the “one-to-one” (Peppers & Rogers 2002) marketing opportunity presented by CH that it is efficacious. CH has competitors within the marketing communications framework so it needs to deliver a targeted audience and consequently deliver outcomes better than alternatives available for the same investment. Whether the practice does deliver tangible results, currently the subject of conjecture is what this study seeks to inform.

2.11 Corporate hospitality and business and sport tourism

As tourism is a major economic driver for the Australian economy and visitor expenditure accounts for 7.1 per cent of Australia's GDP (ABS 2006), it is important that we know more about the drivers for economic sustainability. The link between CH and tourism is not as tenuous as some may consider. Special events and CH are often inseparable and the investment in entertaining at special events by way of CH contributes significantly to the viability of such events. Davidson and Cope (2003) have identified CH as fitting within the niche of business tourism. It is clear from the literature that special events are often used as a tourism visitation strategy. As CH is embedded within special events, this expenditure contributes to business and sports tourism. Standeven and Knop (1999 p. 6) have identified that "sport as part of business hospitality is big, profitable and growing" and this has been backed by research conducted into Australian sport tourism by Tourism Queensland (2003). Understanding the direction of global tourism trends and travel distribution channels as they apply to Australia is essential, allowing an informed industry to respond and plan for this future growth. As this study seeks to understand motivation and demands of CH at special events, it is expected that its contribution to knowledge will further assist with understanding sport and business tourism.

2.12 Corporate hospitality – marketing's saviour or sinner?

CH is not a marketing panacea. At a time where its bona fides have been questioned by some sectors of the business community, its future as a serious marketing practice is in doubt. There exists sentiment in sectors of the government and business community who believe that CH is unjustifiable.

Part of the reason for this belief is illustrated by the benefit bestowed on guests involved with its consumption. The fear in many organisations is the acceptance of an invitation that may turn into an implied desire for reciprocity. In fact, such was the perceived value of CH packages offered by organisations such as Telstra, IBM and AMP at the Sydney Olympic Games in 2000 that several clients declined offers citing reasons of corporate governance (Condon 2000). After the most recent business collapses of global firms such as Arthur Andersen, Enron and World Com and those in Australia such as HIH, One-Tel and Ansett Airlines, shareholders as well as sectors of the broader community have become more circumspect in relation to benefits extended to executives. The rise in interest and adoption of company policies with the aim of improving Corporate Social Responsibility (CSR) has drawn into a focus executive perks and the lack of accountability for them. Ramsay (1990 p. 21) drew attention to the "insidious" nature of CH and likened it to bribery. He pointed out that the definition of bribery was "something offered to influence the judgement unduly or corrupt the conduct" of a guest. He argued that hospitality offered to executives in the UK amounted to a bribe and that corruption was demonstrated by the "positive response to corporate incentives". Countering these views, exponents of the practice may dismiss Ramsay's allegations by explaining that individuals retained the right to accept or decline such invitations and that it could be argued whether CH unduly influences an individual. In practice, it is clear that most CH is targeted at senior executives. The investment of entertaining someone at a cost of up to $8000 per person as in the case of the Olympics (Leyden 2006) would indicate that only employees holding senior roles would be recipients. Therefore, the assumption that an invited guest had risen to a senior position in a firm without possessing critical and analytical skills that informs their business judgement shows little insight into business machinations. It is perhaps a naïve view that CH alone would colour their judgement.

With the growth of CH as a marketing instrument, it has become common for many organisations to invest in facilities at the same special event as their competitors. This "me-too" approach has resulted in less store of value being placed on individual invitations to attend the same event where little exclusivity exists. Such a sophisticated target audience requires an experience that is sufficiently differentiated from that of a competitor to ensure that "brand transfer" occurs. In short, the host organisations "need to impress upon guests precisely who is picking up the tab" (Ramsay 1990, p. 20).

As CH involves human interaction there can be no accounting for guest behaviour or sociability at the event. Whether the gathering of the invited cohort gel, creating memorable experiences for all is something that often cannot be foreseen. Should a guest or guests become intoxicated, abusive or otherwise distracting, the resultant outcome for the host and other guests may be unfavourable. Therefore, finding the right event, an appropriate venue as well as vetting employees and the targeted guests is vitally important (Sodexho 2001). This illustrates that as a marketing tool, CH requires higher involvement for the marketer rather than many other marketing elements available.

2.13 Growth and importance of corporate hospitality

CH is burgeoning. Although it cannot be called an industry, the practice is estimated to be worth several billion dollars globally (Market and Business Development Ltd, 2006). Furthermore, it is predicted to grow annually in the UK at 5% and exceed this during the 2012 London Olympic Games. Australia does not lag behind with sport events based CH in Australia estimated to be valued at between $428 and $730 million per annum (Sparten 2004). In a single week in November each year, 75,000 business leaders, politicians and celebrities are entertained at the Spring Racing Carnival in Victoria (Weekes 2006). As CH now accounts for 5% of the value of all UK advertising expenditure and with such a vested interest in the practice, it is an opportune time for marketers to question its legitimacy. The growth in the 20th century of industry bodies such as the British Hospitality Association (BHA), Corporate Hospitality and Event Association (CEA) and the Association of Luxury Suite Directors (ALSD) in the US underpins an increased focus toward knowledge sharing, professionalism and standards for CH.

To date, academic and practitioner examination has paid scant attention to the review of CH. Whilst CH, as outlined previously, has often been bundled with sponsorship, it has seldom been subjected to the same management and scrutiny (Bennett 2003). Often the sector has been reviewed in a superficial way with statistics of corporate consumption rather than the outcomes as the focal point (Davidson & Cope 2003, Weekes 2006). This is reflective of the insufficient research conducted in the field to date.

Beyond the dearth in academic examination into the practice of CH lies a further dilemma, namely, the lag effect. This occurs due to the period that elapses between a guest being entertained at a corporate event and an attitudinal or behaviour change resulting from that attendance which further exacerbates a rigorous academic measurement.

2.14 Summary

The examination of special events covered in this chapter assesses the impact that they have as a social phenomenon as well as their role as a destination marketing and economic driver for host communities. Latterly, host cities have sought to benefit from staging such events through integration of longer term objectives, more commonly referred to as legacy. The growth of leveraging special events to enhance trade and investment is mirrored in the use of CH by organisations at special events. Indeed, the relationship between the two is indelibly linked. The increasing dependence upon the revenue from the corporate sector through engagement in a wide range of event marketing activities at special events (including CH) has made event promoters well aware of its importance. Over the last decade there has be no shortage of academic interest in special events, especially with their growing importance in destination and visitation strategy as well as their economic, social and environmental impacts. In the same period, research into the practice of CH has been limited. This chapter has sought to define CH, explain some of the key issues associated with the practice and contextualise that within the framework of special events. Further, it has highlighted that CH may be used in a variety of ways for a range of reasons. Briefly discussed was the current prominence of its application in contemporary marketing and its role within the growth of the business events sector. The following chapter focuses more specifically on the marketing application of CH and introduces the concept of relationship marketing (RM).

CHAPTER 3: RELATIONSHIP MARKETING

"For a business marketer the relationships they forge and maintain with their customers constitute the basis for creating value for the firm" (Brennan, Canning & McDowell 2007 p. 235)

3. Introduction

The previous chapter revealed the worldwide growth and acknowledgement of special events as significant economic drivers. It concluded that demand for CH as a part of business events and sports tourism has mirrored the rise in demand for special events around the world. This chapter seeks to understand more fully the reason for the recent growth in CH, and discusses changes in marketing theory and practice. This includes the role of CH as a part of an integrated marketing communications platform as well as the transition towards relationships as the key driver of business success. This chapter begins with an investigation of marketing theory, requiring an assessment of past models and explores the role of relationships within a business context, a discussion of relationship marketing theory follows and the chapter concludes with the role that CH plays in RM programs.

3.1 Media fragmentation and the rise of non traditional marketing streams

Organisations seeking a competitive advantage have been motivated to alter the range of marketing communications tools they use. Previous methods have been found to be increasingly ineffective, competing as they are "in a cluttered environment" (Schumann 2002, p. 247). Neumeier (2007 p.145) contends that "today's real competition doesn't come from other companies but the extreme clutter of the marketplace".

With a bombardment of so many messages, the value of information has diminished with the rise in technology and as a consequence consumer media consumption habits have fragmented. The level of consumption and importance of these mass media channels has diminished (Ketchum 2006, 2008). The cluttered environment created through the convergence of the telecommunications, media and information sectors has created a challenge for contemporary marketers. Rising consumer acceptance of the internet, mobile telephony and social media has created new outlets for marketers considering where to make communications investments. In addition to the marked decline of traditional media, peer-to-peer authority is replacing mass media on all fronts. Family and friends advice rose from 44% to 47% over a two year period of the study as an information source, while co-worker advice went from 23% to 30% (Ketchum 2008). This has happened at a time where traditional (old) media has moved to reinvent itself. Newspapers, once black, white and broadsheet have replicated magazine formats through changes in size, format and the application of colour. Television has adopted digital technology for high definition viewing and similarly, there has been a renaissance in outdoor advertising. With technical integration, billboards offer more than one dimensional communication. Creative site locations, such as tollways and airports give unprecedented access to commuting consumers. Furthermore, the gradual integration of live video advertisements in billboards and event super screens has announced a reformation of a once staid form of mass media and is evidence of the convergence previously outlined.

To assist in cutting through a cluttered environment, the trend of expenditure in marketing has been redirected from ‘above the line’ (ATL) or traditional mass media advertising streams to ‘below the line’ (BTL) non-traditional streams during the last decade (Smith & Taylor 2004). This has coincided with the RM orientation of firms where engagement is sought with the consumer. The main focus of this strategy is retention of consumers, with the aim to seek loyalty and advocacy for products and services. This challenges the blanket approach that previously was directed at attracting prospects that, in turn, required further attention before they become customers. The RM concept will be discussed in detail in the following sections.

3.2 Integrating experiences within a marketing communications framework

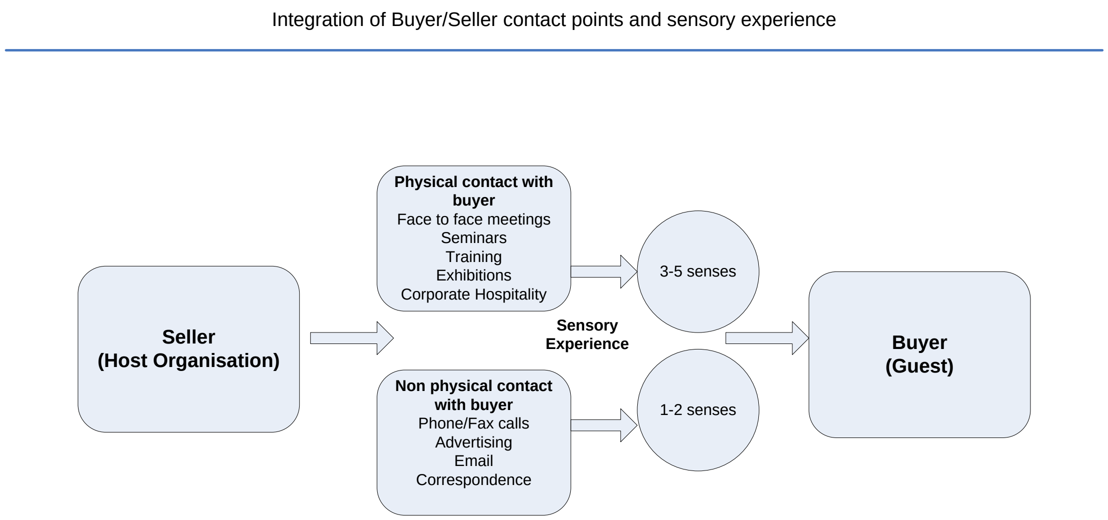
Knowing the right channel of communication to invest in when disseminating information is as important as the timing of the communication. The fundamental consideration is how all messages can work in concert to be absorbed by the target and more importantly deliver the intended effect. Smith and Taylor (2004 p. 14) argue that "each element of the communications mix should integrate with other tools of the communications mix so that a unified message is consistently reinforced". Therefore it is essential that the role of public relations, sales promotion and CH be considered together rather than in isolation when planning a marketing communications plan. In a B2B sense where traditionally personal selling outweighs advertising, perception is critical. A selling organisation must ensure that there is no confusion in its message. All activities that link the buyer to the firm including elements such as advertising, sales force conduct and presentation along with product or service encounters need to mirror the brand values of the seller. The importance of these "moments of truth" described by Carlzon (1987) cannot be underestimated to establish trust, demonstrate capability and offer a social exchange. Image must be matched by substance to ensure a solid foundation for each relationship the firm enters into. Recent academic interest in marketing literature has sought to understand the role of the sensory experience in market exchanges (Lindstrom 2005, Gobé 2001).

Academics are yet to find consensus on the exact definition of experiential marketing, however, marketers around the world are adopting its principles to great effect. The practice aims to integrate as many of the consumer's senses in market exchanges and it distinguishes firms (Prahalad & Ramswamy 2004) allowing them to differentiate their offering and set themselves apart from competitors. Experiential marketing aims to evoke certain feelings and realise consumers' aspirations. A successful experiential marketing program would put a customer at ease and seek to provide emotional well being. It involves a perceived one-to-one interaction between a brand and an individual consumer.

Experiential marketing is dramatically different as it penetrates consciousness and seeks to establish a discrete relationship between customer and brand. In a traditional product centric marketing approach the strategy would be based on appealing to rational rather than emotional factors in influencing a customer's purchase. Hausman 2000, Beatty and Farrell 1998 and Bayley and Nancarrow 1998 all state that emotional responses are more important in purchase decisions than rational ones. Hence CH when integrated into a firm's marketing strategy can capitalise on the contact opportunities with customers (identified as buyers) to deliver a multi-sensory experience as illustrated in Figure 3.1.

CH held within the bounds of special events appeals to emotional connections. These connections exist between the guest and the event, the guest and the CH experience but most importantly for this study, between the guest and the host organisation. Such emotional connections contribute to a guest's memory of the event or like events, the hospitality extended by a host and consequently the relationship between the host and guest. These elements are elaborated on further in the conceptual model discussed in Chapter 4.

Figure 3.1 Integration of buyer/seller contact points and sensory experience



Leveraging major sports, cultural or entertainment events through CH or sponsorship is an increasingly popular development in a communications strategy that seeks to win influence. CH allows branding associations with special events. Themes reflected in the character of an event whether sporting, cultural or educational in nature can be used to reflect an organisation's own brand attributes and ethos. Hence, a psychological attachment may be formed through the transfer of similar brand values. The reflection of a glamorous, exclusive and traditional event connects well with the brand values that premium Swiss watchmaker, Longines, promote so it is a natural fit for this organisation to entertain clients at the Victorian Spring Racing Carnival. A national Australian icon brand, Telstra, leverages its 'Australianess' through the sponsorship of Australian national sporting teams and was a highly visible major partner of the 2000 Sydney Olympics where it leveraged national pride when entertaining clients. In a parochial almost gladiatorial contest between states of Australia played out in Rugby League between New South Wales and Queensland sees the banking organisation Suncorp support the Queensland representative team at the State of Origin Rugby League matches. All of these are examples of corporations that leverage the intrinsic qualities offered by special events that offer resonance with their own marketing messages.

Integrating marketing communications does require time and effort but the benefits of the investment in both may be returned many fold. To wrap communications around customers (Smith & Taylor 2004) as they move through the various stages of a buying process not only consolidates the brand's image but it develops a dialogue and nurtures a relationship that can bring sustainable competitive advantage (Porter 1980). CH is therefore being progressively used as a strategic communications tool by many services firms (Bennett 2003).

3.3 Corporate hospitality and relationship marketing

Flack (1999) contends that CH is an extension of RM. The commonality of objectives extends to building trust and loyalty, shaping or shifting perceptions of corporate identity and developing positive word of mouth (WoM). Rather than an extension of RM, it could be argued that it is one of the elements of RM and used within a Customer Relationship Management (CRM) program, discussed in further detail later in this chapter.

To understand the concept of RM it is firstly important to discuss the evolution of marketing theory from the transactional model to the interaction/network approach that has gradually occurred over several decades. The move from the mercantile exchanges of the industrial age, typified by large scale manufacturing and distribution, more often treated customers in a homogenous way. Over 50 years ago, Drucker (1955, p. 35) stated "there is only one valid definition of business purpose: to create a customer… the customer is the foundation of the business and keeps it in existence". Today, in a time characterised by hyper competition, it is understood that creating a customer is but one objective of a business. Retaining each customer, whilst extracting maximum value from them over their lifetime is equally important, as the initial creation. In the contemporary marketplace, technology plays an increasingly critical role in business transactions. This has "allowed enterprises to learn more about individual customers, remember their needs and shape the company's offerings, services, messages and interactions with those valued customers" (Kotler in Peppers & Rogers 2004, p. 12).

As firms graduate from perceiving business as a series of discrete transactions there has been a reassessment of the importance of relationships between a firm and its stakeholders. With increased competition, a complex and disaggregated market place requires new and innovative ways for businesses to connect to their stakeholders. CH can provide an alternative form of engagement especially in industrial marketing. CH is defined within the boundaries of this thesis as a marketing tool used to link organisations in a business to business setting. A wider definition of the relationship marketing approach encompasses selling through intermediaries in a channel (Gummesson 2001, p 236). In a broader sense, CH is an instrument used within relationship management programs to bring stakeholders and firms closer together. Promoting relationships forged through CH offers to initiate, organise or accelerate inter-organisational exchange (Walter 1999). CH has been used as a mechanism for organisations that are seeking to build, maintain and retain customers. Historically, past ad-hoc CH programs traditionally championed by marketing departments and aimed at customers exclusively are being replaced by increasingly sophisticated programs aimed at a wider range of stakeholders including employees.

3.4 A relationship retrospective – industrial age to information age

"I will build a motorcar for the great multitude" said Henry Ford and 100 years ago his Model T rolled off the production line at the Piquette avenue plant in Detroit (Watts 2006). His business model was like none other at the time. He married a moving assembly line with automobile manufacture to increase efficiency and drive down costs. He purposely cut his own profit margin per vehicle and as a result helped to deliver an affordable vehicle to the people. The democratisation of personal motorised transportation created one of the largest social changes of the 20th century and its effect still echoes around the world today.

Henry Ford's Model T example illustrates a dichotomy for the marketing scholar. It offers an insight into the impact of industrialisation, focussing on the changes to manufacturing process and distribution in the world's biggest economy. Further, it signals the role of a customer orientation and the changes in a society that welcomed egalitarianism in consumer goods and lastly it underlines Ford's philosophy about the importance of relationships with key stakeholders. Much has been made of his generosity to employees through improving pay and conditions (Watts 2006) albeit with an almost paternal consideration, but similar loyalty was shown to suppliers as demonstrated by the 97 year relationship commenced on a handshake between Ford and his tyre supplier, Harvey Firestone. It is perhaps lesser known that, at heart, Henry Ford had a customer oriented view of the world. Americans were asking for affordable, robust motor cars that could cope with the contrasting conditions of a vast land. Ford delivered the dream with a well designed and built everyman vehicle. The often quoted remark attributed to Ford that customers could have "any colour they wanted as long as it was black" portrays him as insular and uncaring for the customer. The antithesis was true; four colours were available for the Model T from inception, none of them black. The decision to go to one colour was introduced primarily to speed up manufacture[1] in order to satisfy the insatiable appetite of a public who were more interested in availability and affordability than vehicle colour.

3.5 An evolution of marketing theory - from marketing mix to relationships

Marketing theory provides an overarching framework for the way practitioners and academics approach the discipline. Marketing in its most synthesised form is forged around an exchange relationship or transaction (Hunt 2002, Bagozzi 1974, Kotler & Levy 1969, Alderson 1965). Marketing can be explained in a "basic" or positive way as well as from a normative or "applied" perspective (Hunt 2002, p. 132). Often marketing has been referred to as a science. As it is principally the role of science to explain phenomena so it is therefore incumbent for marketing theory to explain the fundamental dependent variables that occur in such exchange relationships and transactions (Hunt 2002). In the most simplistic of an exchange model, it requires the arbitrary adoption of the nomenclature of a buyer and a seller. However, it is accepted that this will not always provide an accurate description of all entities involved in the networks associated with a firm's exchanges.

[1] Production time of the Model T dropped to 93 minutes per vehicle and contributed to the delivery of 250 000 in 1914 – Franklin Institute

In what is deemed the 'marketing concept', organisations use all resources at their disposal to satisfy customers' needs and wants for the generation of profit (or another longer term measure of success). This customer focused philosophy is not a marketing system or structure, but is founded on the belief that profitable sales and satisfactory returns on investment can only be achieved as Barwell (1965) states in identifying, anticipating and satisfying customer needs and desires. The extension of Barwell's original research in the field of marketing was elaborated upon by several academics, chief among them being Kotler (1969), who stated that a firm needed to meet the needs of the customers better than did the competition and place the customer at the middle of their thinking. This customer orientated view of the marketing concept was expanded further with a holistic view that society's needs should also be considered. This societal view of marketing's role gained early prominence through the seminal work of Cohen (1972). Perhaps today it has even more resonance as collectively we realise the inconvienient truth[2] of the business and human action that affects the long term health of the planet. As Drucker (1994) emphasised, "we the people" must step up to the responsibility for an optimal tomorrow – human values, capabilities, and tenacity comprise the engine that keeps the world going.

The classical period of marketing thought (1900-1950) was characterised by a range of different opinions on how marketing could be understood (Sheth & Gross 1988). Previous schools of marketing theory included the commodity school led by Copeland (1927) that concentrated on production, the functional school led by Shaw (1915) that focused on logistics and selling, the geographical-related school founded but not named as such by Reilly (1931) that featured issues of regionality and spatial gaps between buyers and sellers and the institutional school (Breyer 1934 Butler 1923, Weld 1916) that sought to explain phenomena such as the role of structural issues with state and labour forces.

History suggests that it was widely recognised that the customer was of primary importance in business exchange. In fact the term customer orientation could have its

[2] An Inconvenient Truth (2006), a film directed by Davis Guggenheim, follows US politician Al Gore's quest to discuss the concept of climate change and educate about man's impact on the environment that has created a recognised problem worldwide.

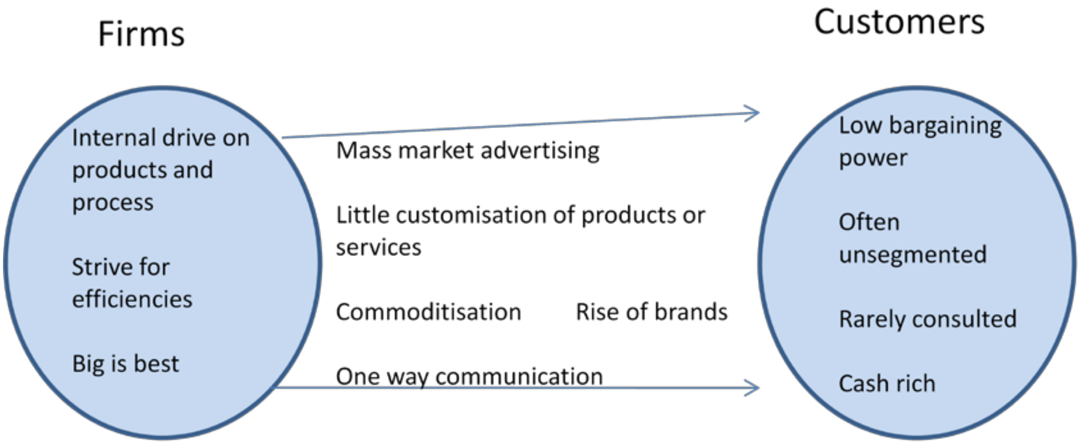
roots in Norway in 1916, as suggested by early sales and marketing literature that recommended looking at each situation from the customer's side of the counter (Gronroos 1996). That for many decades the customer orientated view was not integrated into marketing theory and practice clearly reflected an incongruity.

What drove marketing theory and application from the mid 1960's onward was the Transactional Marketing (TM) concept. This viewed business exchange as a series of discrete transactions. The model that universities and practicing marketers around the world had widely adopted was the concept of the Marketing Mix / 4 P model. This concept was derived from the metaphor in which a business executive blends a range of marketing variables to bring to market goods or services, proposed by Culliton (1948).

Although the term was not coined by Culliton, the Marketing Mix concept was a by-product of similar research conducted in the late 1950's and early 1960's by Professor Neil Borden at the Harvard business school. Borden's research was based on identifying company performance actions that can influence the consumer decision to purchase goods or services. Borden identified 12 elements that acted as influencers and subsequently assessed that all those actions of the company represented a 'Marketing Mix'.

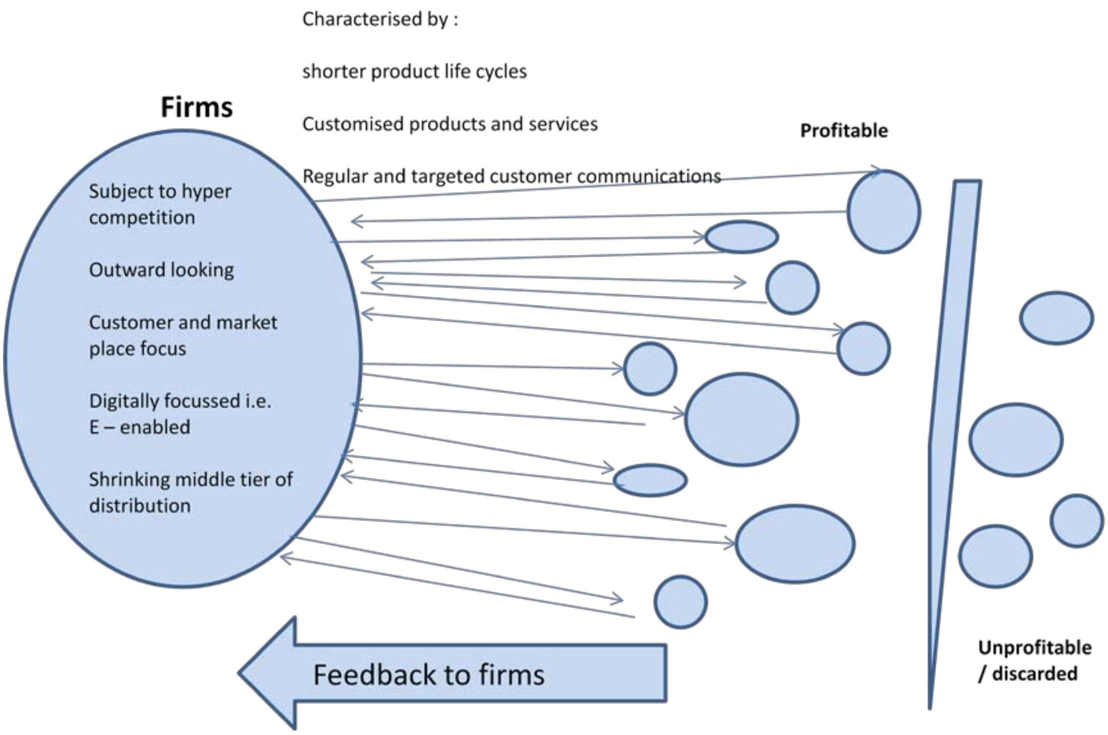
McCarthy (1960) formed the opinion that the constituent parts of the Marketing Mix could be standardised and classified as 4 P's namely: Product, Price, Place and Promotion. This view, wrapped around a simple formula provided an irresistible concept that rendered a somewhat complex science, easily understood. The global adoption of the Marketing Mix / 4 P's concept followed, and to this day remains an important, albeit flawed construct. Although the initial research came from renowned academics employed within one of the finest business schools in the world, it lacked the rigor to stand up to close scrutiny. It could be argued that Borden simply described the influencers that may or may not occur in a range of alternative situations and was not a party to them being blended around four standardised designators. Regardless, the research and application of the Marketing Mix / 4 P concept appeared to work in most cases in the setting in which it was used. In short, it appeared to be site and time specific. The United States of America post World War 2, was typified by a rise in consumer packaged goods entering huge mass markets through sophisticated distribution and manufacture, in an environment dominated by commercial mass media. Berry (1995) states that while consumer goods marketing contributed the major part of all marketing activity, the transactional approach flourished. This period of industrialisation as it relates to the evolution of Marketing is illustrated by Figure 3.2. In harnessing the factors of production, firms focused on a growth strategy that used emerging technology to assist in producing more and more products at a lower unit cost aiding the democratisation of consumer goods.

Figure 3.2 Evolution of marketing – Industrialisation 1870 – 1990 (one-to-many approach)



In contrast, Figure 3.3 illustrates that over the last two decades communication between a firm and its customer has been enabled through the adoption of technology. Firms have become customer orientated and agility rather than size signify competitive advantage. At this time channels have shrunken and the middle tier of distribution has been replaced. Technologies, especially those involved with the flow, storage and manipulation of information have become widely available. This is characterised by digitisation, the growth of local area networks and the internet. This has allowed small to medium sized enterprises (SME) to increase their competitive ability often using speed and agility as well as personalised communications with more contact, more often to build relationships, a key success factor in this growth.

Figure 3.3 Evolution of marketing – Information age 1990- present day (one-to-one approach)



With new found knowledge of customers derived through information systems, firms have been able to focus efforts on maintaining and growing their profitable customer base whilst discarding customer groups that may never be profitable. This is reflected in Figure 3.3 where segmentation or clustering of clients may be effected according to similar needs and behaviour. Thus, Brennan, Canning & McDowell (2007 p. 149) argue that this allows the "business-to-business marketer to establish a degree of homogeneity in respect to different customers in the market place". Segmentation can occur through the division into meaningful groups based on known affinities, historical sales data or the profitability of the relationship to a firm (Payne 2006). Notwithstanding the clustering, a significant and critical relationship with a major client may indeed be treated independently in a 'segment of one' (Brennan et al. 2007 p 148).

3.6 Critical failings of the transactional model

It is unlikely that the 4 P model in the 1960’s would have found similar success if deployed in North or Eastern Europe, Africa or South East Asia. These markets were characterised by a range of governmental, structural and consumer behavioral issues that would need to be taken into consideration within the model before successful deployment of the concept could be achieved. It was stated that the TM model “sought to “bend” the customer to fit the product but what was required was theory and practice that would shape the product to the consumer” (Harker & Egan 2006, p.216).

Other suitability issues with the TM model related to the inability of the model to tie into the inherently customer focussed marketing concept discussed previously. Deeply seated within the transactional approach is the sense of competition that advocates that in a buyer and seller interaction, one side wins whilst the other loses (Donaldson 1996). Perhaps most curious is the fact that nowhere in the transactional model can be found the customer. Marketing theorists have long believed that the customer should be the fundamental hub that marketing activity is driven around.

This inconsistency of a model focused on organisational rather than customer needs belies the wide adoption and practice of a transactional model. Reasons for such widespread acceptance of a Marketing Mix / 4 P model indicate that its simplicity to understand along with its mostly functional design underpinned its longevity. One significant flaw, however, relates to ownership. Its adoption and execution is traditionally managed and implemented by a firm’s Marketing department who often consider themselves self proclaimed specialists in the field. This command and control thinking creates the potential for conflict as other departments within a firm that also interact with customers are often discouraged from being involved with strategy, planning and operational deployment of the model. This existed even though they were expected to be integral to its success or failure (Berry 1995, Parasuraman 1995, Palmer 1994).

Such antagonism appears contrary to the aforementioned marketing concept as it is apparent that customer satisfaction was not the overriding focus. The Marketing Mix / 4

P model does not take into account consumer behaviour; the thoughts, feelings, needs and desires of the customer, rather it is predominantly interested in the company's capability and resources in getting the offer out to the market. This is acknowledged through unconsciously emphasising the inside–out view (looking from the company outwards), whereas the essence of marketing should be the outside–in approach (Morgan 1988). A Relationship Marketing approach offers an antidote to the inside–out view and proffers an organisation wide philosophy of engagement that can be adopted in all facets of a buyer-seller interaction with the firm.

Nevertheless, the Marketing Mix / 4 P's concept is not in itself redundant as it offers a memorable and workable guide to the major categories of marketing activity as well as a framework within which these can be used. It is important, therefore, not to discount the concept too lightly nor discard it entirely.

An acknowledgment of the success of the 4 P's falls to its ease of teaching and comprehension. The fact that it is a well known and understood framework and can be applied in a workmanlike fashion for the major categories of marketing has in part been credited for its wide acceptance. A key failing though, is that the model has not travelled well over time. With globalisation, technological innovation and deregulation impacting on businesses, the environment has changed markedly in the later part of the 20th century. This has led to a diminished manufacturing focus and an increase in the services sector in the developed world. Since the 1960's so much more is now known about how businesses and consumers behave. The body of research into marketing and consumer behaviour has grown exponentially and with it insights drawn from research fuelled alternatives to the Marketing Mix / 4 P model. The adoption of new knowledge of the forces that shape the market and consumer buying habits have guided prevailing thought to retro fit more P mnemonics to the 4 P model rather than deconstruct it altogether. The desire to add people in the early 1980's to expand to 5 P's and then the most recent incantation, 7 P's, with the addition of Processes and Physical Evidence would suggest that re-engineering of the model is almost complete (Booms & Bitner 1981). These changes may have prolonged the shelf life of the model while simultaneously addressing some of its short comings but have not managed to silence the critics of the model whilst yet more P mnemonics appear to surface.

The movement of developed economies toward services rather than finished goods, along with the rise in technology and changes in distribution found the model lacking to explain specific events especially in industrial and services marketing. As the Marketing Mix / 4 P model had been adopted with such conviction the unfortunate legacy was that many other marketing theories were abandoned in its wake creating a lack of alternative schools of thought to draw upon. Primary criticisms of the Marketing Mix / 4 P concept was that it appeared to be heavily favouring one side of the buyer-seller exchange, in essence the seller or "channel captain" perspective. As a result it was not readily able to address macro and societal issues and as stated by Doyle (1995 p. 23), marketing in this form was more of a "functional discipline rather than an integrative business process".

3.7 Interaction and networks, a forerunner to relationship marketing theory

As the world entered the digital age in the last decades of the 20th century there was, indeed, a growing chorus of academics suggesting a paradigm shift occurring in the field of marketing (Achrol & Kotler 1999, Gummesson 1997, Aijo 1996, Gronroos 1994). A "paradigm" in this sense is best explained in Kuhn's (1962) definition of a "worldview" specifically related to social organisation of science in terms of different schools of thought. Therefore, a paradigm shift related to a "change of our fundamental assumptions about the world" (Li & Petrick 2008, p.236). In this case it was Marketing theory that was under siege. The source of discontent toward the Marketing Mix / 4 P concept came primarily from three different sources. Marketing theorists in North America in the fields of services and industrial marketing found the integration of service encounters did not sufficiently align with the model. The Nordic school of marketing argued that it was relevant to reconceptualisation marketing and this was echoed by the interaction/network researchers related to the IMP group (Grönroos 1990). An alternative view offered was that of the interaction/network approach that had been developed through the 1970's and 1980's by the European IMP (Industrial/International Marketing and Purchasing) research group (Mattson 1997). The transformation had largely been inspired from micro economic work conducted in Sweden in the 1930s. Rather than the managerial aspects proposed by the 4 P concept, IMP researchers viewed market exchange as the result of interaction within individualised exchange relationships (Tikkanen 1998). The initial research concentrated on inductive discoveries of interaction, duration of relationships, and interdependence between organisations in industrial markets (Tikkanen 1998, Mattsson 1997, Axelsson & Easton 1992). In brief, the role played by interaction/network theorists was adapted by those studying supply chains and the inter-relationships between labour forces, the state and firms (Porter 1985). Business to business rather than a business to consumer focus was initially the focus of research as industrial markets are typified by a limited number of potential customer-firms, encouraging businesses to maintain relations with these partners over time (Anderson and Narus 1990). The core of interaction/network research was centered on the study of relationships between actors within these networks. Relationship Marketing is essentially an extension of the theoretical understanding of interactions within networks and how they can be harnessed to achieve business objectives.

One of the key goals of relationship marketing theory is to identify the key drivers that influence important outcomes for a firm and better understand the causal relationship between those drivers and the outcomes (Hennig-Thurau et al. 2002). To understand relationships, it is important to firstly consider networks. The social network theory characterises communication networks as consisting of interconnected individuals who are linked by patterned communication flows (Rogers, 1986). To elaborate further, a communication network analysis studies interpersonal linkages created by the sharing of information within the interpersonal communication structure, in other words, the network (Rogers, 1986).

The concept of business networks (Thorelli 1986) that foster cooperation flies in the face of the “mythological jungle” where it is “everyone for themselves” (Solomon 1992 p 26). In the same way as jungles around the world have diminished through human action so it is that the era of corporations preying on the weak unchecked by society has also declined. This has occurred through the convergence of several issues that have changed business conditions. The role of technology has led to democratisation of information and more informed customers further evidenced by the rise of the internet and social media. The emergence of significant competition in developed economies has created consumer choice where customer orientated firms may enjoy greater market share. Lastly, increased government regulation for consumer protection and consumer advocacy has diminished the power of monopolistic behemoths.

3.7.1 Emergence of relationships as the new marketing paradigm

Beyond the sentiment in academe for reappraisal of the marketing field, many business issues have likewise created the underlying themes for reassessment of the existing model. Such themes include the diminishing returns from advertising and marketing's general lack of accountability. Businesses in a purely financial sense needed to reappraise the return on their marketing investment. Sheth & Sisodia (1995 p. 9) argue that historically marketing has "overspent and under-delivered".

Marketing in the industrial age was typified by the mass medium, mass advertising approach, which could be viewed as a "one-to-many" strategy (refer Figure 3.2). The implication was that to sell more, a firm needed to get to the widest possible market. The problem inherent in this was that without qualifying the audience in advance, resources were squandered on poorly targeted campaigns. The relationship marketing approach on the other hand is designed on the basis of a "one to one" (refer Figure 3.3) engagement strategy between firms and their customers coined by Peppers & Rogers (2005). In a period of hyper competition, a cluttered marketplace and the bombardment of thousands of messages a day (McKenna 1991), the result has been less efficacy and therefore less satisfaction with traditional forms of marketing. As a contrary view to the way in which marketing theory had been taught, researched and practiced for several decades, RM became the new standard bearer for innovative firms. The emergence of the customer orientation of this model set about challenging key aspects of the TM concept.

Sheth and Parvatiyar (1995) stated that the transactional approach leads to competition and self interest being the drivers of value. Therefore, the actions of different entities that are driven by self interest and demonstrated through conflict, competition and mutual resolution through transactions could compromise value creation. The alternative relationship approach posits that value creation is better served through cooperative relationships based on trust and commitment (Morgan and Hunt 1994). Normann & Ramirez (1993 pp. 65-66) state categorically that the secret of value creation is building a better fit between relationships and knowledge. Further, they consider that to view value creation in terms of a value added notion is “grounded in the assumptions and models of an industrial economy” and that value creation must be sustained through “co-production with suppliers, business partners, allies and customers”. Another central tenet of the relationship approach is that “interdependencies, as opposed to independence, will engender reduced costs and improved quality” (Li & Petrick 2008 p. 237). Williamson (1975) states that independence and freedom come at a higher transaction cost and that close cooperation of parties demonstrated through a relationship is preferable for value creation. Indeed, Corkindale, Balan & Rowe (1996 p. 80) state “with market concentration, the benefits of mutual cooperation between channels are becoming more commonplace”. Progression of the concept of interrelations and cooperation to its next level, interdependency, resulted in a melding of the roles of marketing actors. There is evidence that customers and firms can become co-marketers as and when cooperative partnerships are forged (Sheth & Parvatiyar 1995).

In summary, the principal differences between the transaction based marketing approach is that it is based in value distribution and outcomes of exchange whilst the Relationship Marketing approach is driven through value creation and relationship engagement. In many saturated markets experiencing fierce competition, there is often little distinction between commodities and services because of increasing homogeneity. It is argued that long term relationships will offer the best likelihood of sustainable competitive advantage (Day 2000).

Since the 1980’s, marketing theorists have sought to understand the nature of relationships, their antecedents and consequences. This has seen a shift in focus from explaining discrete transactions towards understanding the repeated encounters between two counterparts (Holmlund 2004). One of the principal difficulties in researching relationships is their dynamic nature; they evolve and change, making it very difficult to study where time is an inherent feature.

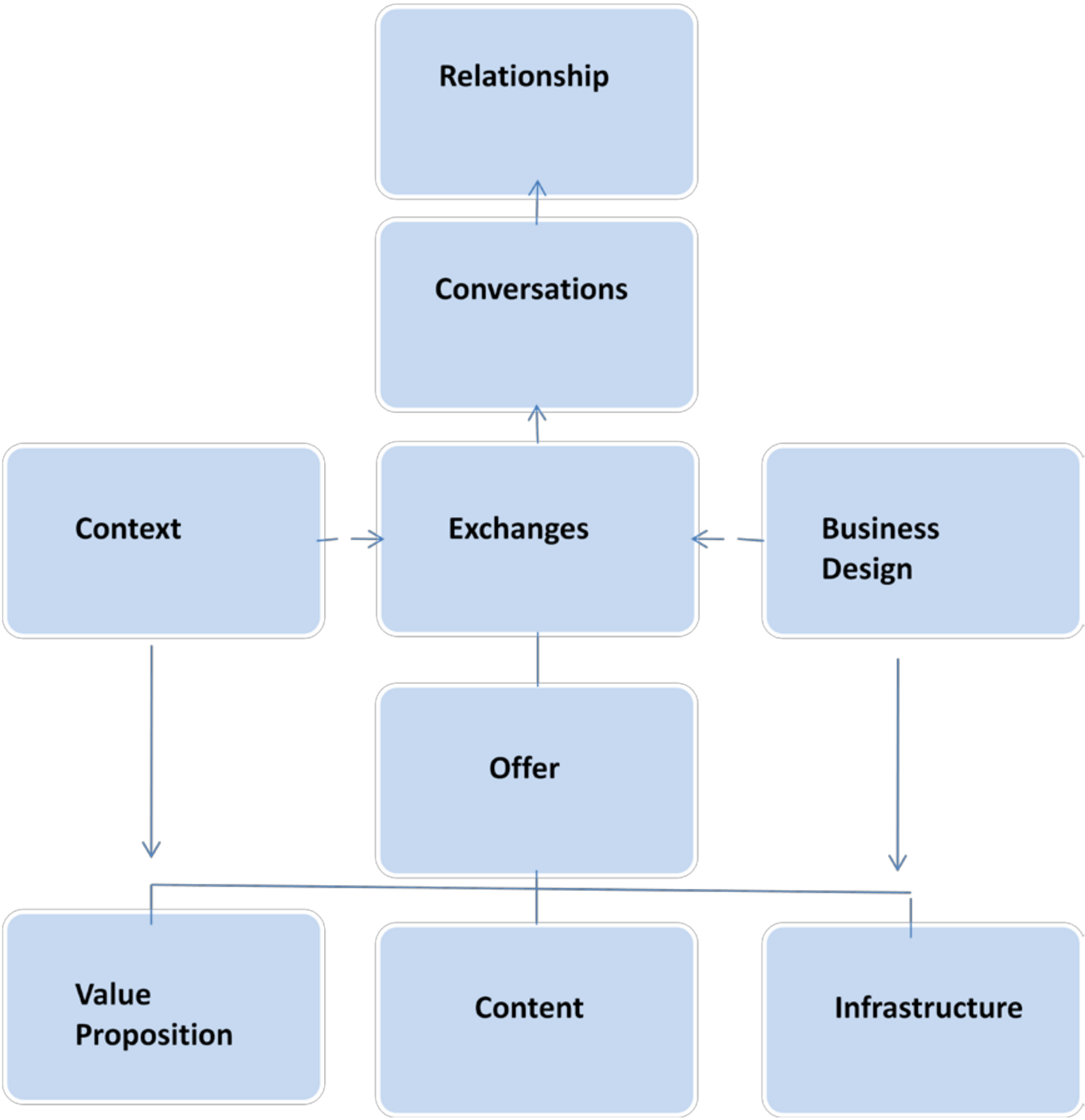
The study of relationships has been examined by the interaction/network approach and also through service management. Firstly, the interaction/network approach is best described whereby firms use relationships with stakeholders as the means to work together in a co-operative or collaborative way to achieve their objectives. This approach seeks to better align the principle of marketing theory with the actions of firms in real-life settings. Conversely, relationships can also be observed through service management where the actions of individual encounters are recorded through each counterpart's experiences.

The confluence of a "maturing market of services marketing, increased recognition of potential benefits for the firm and the consumer, and technology" (Berry 1995 p. 237) have been cited as the catalysts for the growth in RM. Hennig-Thurau, Gwinner and Gremler (2002) state that after two decades, the RM concept is still in vogue and is gradually being adopted in marketing theory as well as introduced to marketing texts.

3.8 Relationships within a business context

A relationship, simply defined, is a specific connection between objects, concepts or entities. From a philosophical standpoint a relationship could be between mathematical or theoretical constructs. It may mean a causal relationship that occurs between events or it could be placed within the human setting in either a social or business construct. In terms of social exchange theory, a relationship could be perceived as the balance of rewards and costs of an interrelation (Emerson 1976). In a business setting the explicit definition is the on-going interactions between a firm and its stakeholders. This may be in what is commonly referred to as business to business B2B interaction, demonstrated by inter firm trade and exchange as is the case in this study or in a business to consumer (B2C) model. To this end, it is critical to understand when a relationship exists. Brennan et al. (2007 p. 252) contend that at a pre-relationship stage it is a transient time where potential suitors, specifically customers are in the "driving seat" determining the basis of incumbent performance and marketplace information and whether on the basis of their analysis to commit to a relationship. The unrequited or specifically unrecognised relationship by one party is not a true indication of a relationship. Views vary on this point, however, it is unquestionable that a business relationship exists whereby both entities firstly understand it to exist and that it is based on repeated transactions over time (Holmlund 2004).

Figure 3.4 Relationship defined (McKenzie 2001)



In much the way lyrics are critical to songs, the language of relationships are the conversations between firm and customer. McKenzie (2001 p. 46) states that without having these conversations with the customer, a firm is unable to understand who they are, what they truly want and to define their expectations. He concludes that a conversation can be broken into a formal and pragmatic taxonomy as reflected in Figure 3.4. "This is described as a relationship being a series of conversations, a conversation is defined as a series of economic exchanges, an exchange being a discrete interaction between enterprise and customer and an offer is the object (defining feature) of an exchange". When there is reciprocity, defined as an even balance of costs versus benefits, it is considered to be deemed an equitable relationship. In the relationship marketing paradigm, equity is the goal through cooperatively arriving at win-win outcomes rather than the Transactional Marketing approach where win-lose is often the by-product of a competitive standpoint. The concept of reciprocity is central to the use of CH in a business to business setting.

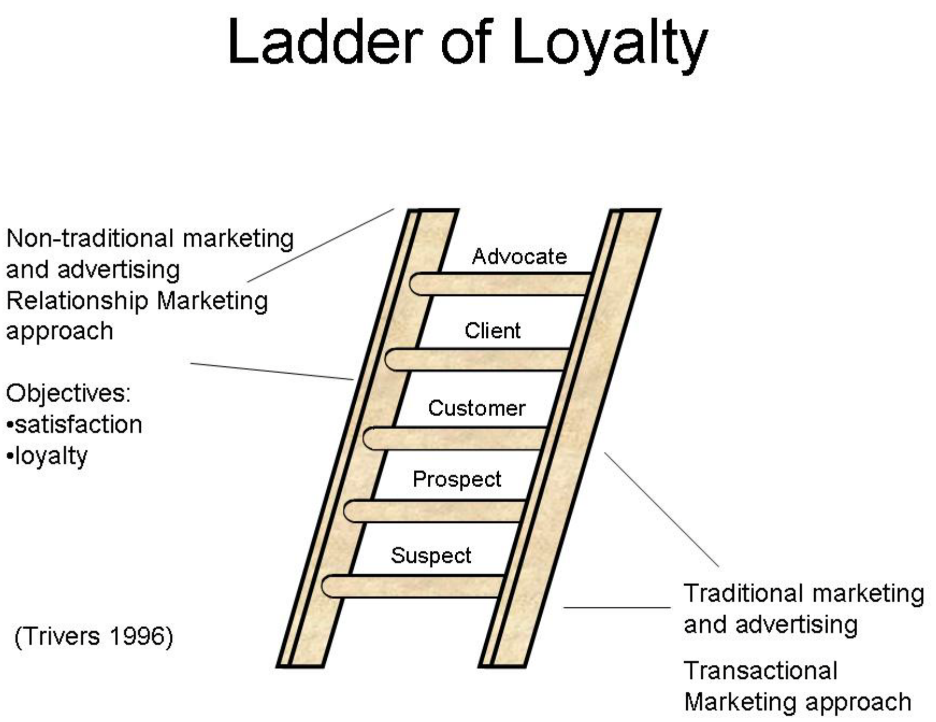
3.8.1 Relationships as a pathway to loyalty

Consumer Loyalty is considered critical to organisational success and profit (Oliver 1997). Loyalty most specifically to a firm or brand is also the central aim of Relationship Marketing (Grönroos 2002). Morgan & Hunt (1994 p. 23) state that businesses have identified loyalty from customers "key in driving superior performance" and further theorise that loyalty is expressed as the commitment between exchange partners. This willingness to commit to a firm or brand is based on positive attitudes toward them and such attitudes are developed over time within a relationship where trust exists. The role of customer loyalty for an organisation must be seen in the context of not only maintaining a customer base over time but nurturing each of those customers. This will ensure future purchases as well as advocacy for the organisation (Rauyruen & Miller 2006).

Maslow's Hierachy of Needs (1954) is seminal in discussing human motivations and "provides a convenient metaphor when discussing Relationship Marketing" (De Bonis & Peterson 1997 p. 169). Abraham Maslow's lower order need, therefore, can be transposed in the context of a consumer that seeks out a business to fulfill a product or service need. Conversely, this is viewed from a firm's perspective as prospecting for customers. Once a connection has been established and assuming the primary purpose of that union is that a transaction has or will be made, the customer and firm can exchange value. For them to enter into a relationship would require a longer standing arrangement where a history of transactions is made between the entities. To build a relationship with the customer, the firm needs to recognise them as special, requiring a flexible two way communication to be established with trust, mutuality and commitment as hallmarks of this partnership. This movement from a transaction based exchange to a relationship is clearly illustrated by the concept of the "Ladder of Loyalty" (Trivers 1996) illustrated in Figure 3.5. Loyalty is the key if increasing referral business, lowering marketing acquisition costs and impeding customer defection are the goals (Reichheld 1996). Relationship marketing seeks to recognise past and present custom, such recognition in turn offers a "powerful inducement to award future custom" (McCorkell 1997). The literature in relation to customer loyalty is strongly weighted to the study of B2C markets (Jacoby & Kyner 1973, Dick & Basu 1994, Fournier et al. 1998) and has only recently addressed the equally important role of customer loyalty in the industrial markets (Parasuraman 1998, Gournaris 2005, Bennett 2003) which is the subject of this research.

Over time, the desired role for relationships has been to bring customers and firms closer. This progression is evident when customers within the relationship willingly take on the role of advocates for a firm's goods and services (Rauyruen & Miller 2006). These changes to the relationship would be evident by a rise in positive word of mouth communication, loyalty by the customer to the firm and in return the firm may reward the customer through affording greater opportunities to them as a reward for their custom and advocacy as indicated in higher rungs of the ladder in Figure 3.5. At this higher level of relationship, the firm and customer can work collaboratively and seek out feedback from each other. At this level of maturity and based on the strength of the longstanding relationship, small indiscretions such as service issues can be forgiven rather than be triggers for defection. It is the integration of CH used as a non traditional marketing approach that seeks to turn a customer into an advocate.

Figure 3.5 Ladder of loyalty



3.9 Relationship marketing and customer relationship management

Relationship Marketing (RM) and the allied practice of Customer Relationship Management (CRM) is the tangible practice of implementing an interaction/network model of marketing in a business context. Where Customer Management is the basic interaction between firm and customer, CRM and RM offers a more sophisticated and strategic approach to manage these relationships. Both terms, Customer Relationship Management and Relationship Marketing have been used indiscriminately over the last two decades by marketers and academics alike. With no common academic consensus on an accurate description of either of the terms (Eiriz & Wilson 2004), they have often been used interchangeably (Parvatiyar & Sheth 2001). To find a simple description of Relationship Marketing is like describing beauty, diverse views exist. The literature would suggest that there is indeed a clear delineation of the terms. Payne (2006 p. 22) has stated that CRM can be categorised as the "strategic management of relationship with customers; involving appropriate use of technology" whereas RM he contends, is an organisation's way of strategically managing a range of relationships with many different stakeholders. For the purpose of this research, the following section seeks to clarify the definition of Relationship Marketing in the context of this research. The role of business enterprises is to be conduits of value exchange (Day 2000). CRM seeks to build on existing knowledge of a customer base and then use that knowledge productively to better hone the product and service offerings to those customers whilst refining the way that the firm interacts with them. Relationship Marketing is another step toward the market orientation of firms. The wide adoption of a range of "customer centric strategies" (Sheth & Parvatiyar 2002, p. 1) provides an efficient and effective way in which to manage customer relationships (Peppers & Rogers 2004). This movement towards approaching customers in the way they want to be served offers a stark contrast to a former insular and transaction based model. Dwyer, Schurr & Oh (1987 p. 13) contest that the key difference is acknowledgement of the differences between an exchange where a "discrete transaction has a distinct beginning, short duration, and sharp ending by performance" that contrasts with a relational exchange which traces to previous agreements and is often "longer in duration and reflects an on-going process" Many organisations have adapted to a new business landscape where the store of value in long term relationships with key stakeholders runs parallel to enduring success.

3.10 Definition of relationship marketing

Perhaps an amalgam of established work by key academics in the field (Gronroos 1994, Morgan & Hunt 1994, Shani & Chalasani 1993, Berry 1983) would suggest that the clearest definition of Relationship Marketing, and the one adopted for this research is:

to establish, maintain and enhance relationships with customers and stakeholders for mutual benefit, through interactive, individualised and value added contacts over a sustained period of time.

Derived in its most simplistic form, Newell (2000) describes Customer Relationship Management (CRM) as "a process of modifying customer behaviour over time by strengthening the bond between the customer and the company". In many senses CRM is the operational deployment of a Relationship Marketing strategy. As Payne (2006 p. 23) states, "CRM is a strategic approach concerned with creating improved shareholder value through the development of appropriate relationships with key customers and customer segments". Further Payne (2006 p. 23) discusses that "…CRM provides enhanced opportunities to use data and information both to understand customers and implement relationship marketing strategies better".

In discussing CRM, the seminal research by Peppers and Rogers (2005) recommends that for a firm to be turned into a customer-strategy enterprise, information needs to be harnessed to gain a competitive advantage that in turn leads to growth and profit. Clearly it is the role of the firm engaged in RM to put it in closer and closer touch with its clients, delivering customer specific objectives by creating customer specific actions (Day 1999).

In initially discussing the concept of RM, Berry (1983) stated that the attraction of customers to a firm was only one part of a strategic marketing focus and that servicing the customer, creating a bond and fostering long term loyalty was just as important. The interest in relationships has occurred as firms reassess marketing orientation. The move away from a focus on internal process, product and distribution improvements toward competing more vigorously for customers and relationships has resulted in what is defined as customer driven marketing (Kanter 1992, Goodyear 1996). The critical issue is engagement with the customer. Grönroos (2000) argues that service competition with the goal of retaining rather than attaining customers is the raison d'être for RM.

3.11 Criticisms of relationship marketing

Clearly, the lack of a recognised and accepted definition among academics will continue to holdback Relationship Marketing's development as an emerging management and marketing discipline (Parvatiyar & Sheth 2001). Although research into its role as a strategic tool to attract, maintain and enhance customer relationships has been deemed effective through several studies conducted over the last 25 years (Roberts, Varki & Brodie 2003, Gronroos 1994, Berry 1983), there are those in the academic community who doubt its validity. Ward and Dagger (2007) suggest that on closer examination the claims made in the literature as to the effectiveness and success may be exaggerated and that the true worth of the practice requires further academic research that would provide more conclusive evidence of its effectiveness. The debate regarding the practice centres on whether the rhetoric regarding the supposed leap forward in marketing effectiveness marries with actual outcomes where firms implement customer relationship marketing programs.

Relational Marketing theory has been driven by the development of models that seek to explain the key drivers in relationships that influence outcomes as well as the causal relations between such drivers and their outcomes. Hennig-Thurau et al. (2002) argue that historically most marketing theorists were too narrowly focussed in their research of relationships often using a single predictor variable, that being customer satisfaction, rather than seek to develop a broader understanding of those variables that could predict success or failure in relationships. As much as the Nordic school academics led by Gronroos (2000, 1996, 1990) and Gummesson (2001, 1997) have afforded relationship marketing prominence, virtually stamping it as the panacea to understand marketing in the 21st century, it has not been accepted with the same fervor globally. Rather than be widely acknowledged as the new way forward, RM has not necessarily been dismissed but has been subject to derision in some quarters as an academic construct that is unworkable in reality (Reinartz and Kumar 2000, Brown in Hennig-Thurau 2000, Fournier, Mick & Dobscha 1998, Palmer 1994).

As previously stated, the lack of consensus on what Relationship Marketing entails and how it can be used as a tool for business growth and development has stymied its success. As Fournier, Mick and Dobscha (1998 p. 150) argue, "Relationship Marketing as it is currently practiced has not brought us closer to our customers. Instead it has sent us further afield. Our misguided actions have sparked a consumer backlash that endangers the reputation of relationship marketing, calling into question the viability of the entire marketing discipline going forward".

With many new academic constructs it is important to reflect on the theory or prior accepted knowledge that has preceded it. This recognises the legacy of that learning and creates an empirical foundation before striking out in a new direction. Rather than swap one potentially flawed concept for another in the case of the TM and RM, there should be room enough to accept that two or more concepts may well be able to work synergistically rather than in competition (Aijo 1996).

As the TM approach had been the dominant theory for several decades, the initial assumption was that the relationship perspective would replace it driven primarily as academics contributed to "the incredible growth of relational literature" (Egan & Harker 2005 p xxiii).

With the rush to embrace marketing's 'next big thing' many firm's efforts to engage with their customers have proven unsuccessful. This has occurred due to lack of understanding of the concept, improper application and poor measurement. Further confusion arises due to the blurring of the business and technological roles with many believing that a CRM program relates to an IT software solution rather than an overarching business process (McKenzie 2001).

With any relationship, especially one involving human behaviour, trust and intimacy have to be established before commitment is granted. Due to this lack of understanding Fournier, Dobscha & Mick (1998) recommended marketers "think about, and act on, what being a partner in a relationship really means".

Rather than the wholesale acceptance of the relationship approach by academics and practitioners alike, the adoption of the RM model initially stumbled. In part this was due to the initial over eagerness from practitioners to rush early stages and secondly the new model's suitability did not seem to work in all cases. Assessments of suitability and design of RM programs were needed prior to implementation, on a case by case basis. To demonstrate this, a firm may have a part of their business where a transactional approach is justified and another part that is based on relationships (Brodie & Burchill 1997, Aijo 1996). It is therefore possible that not every transaction in a buyer seller relationship requires a relationship to be forged and not every firm will be suitable for an RM approach.

Ward & Dagger (2005) have stated that without testing underlying assumptions inherent in much of the relationship marketing literature it has been too easy for claims of effectiveness to go relatively unchallenged. Their research investigated several variables that impact upon the strength of business relationships.

Firstly, they examined the strength of the relationship. This could be perceived by the customer, to increase with the length of time that a customer has been purchasing a consumer service product from a provider. Although Smith & Taylor (1998) found that the length of the relationship developed commitment between the parties it was not sufficient an examination to determine whether this translated into increased strength or loyalty. Ward and Dagger's research found that in most cases relationship strength increased significantly with time. It is important to note, however, that this research was based on a business to consumer model and on services rather than product purchases. Nonetheless the outcome of the research indicated that where professional services were sought by the consumer, relationship strength was markedly higher over time than that in other categories. In a B2B environment where the significance of relationships in professional services is arguably more critical, the findings of Ward and Dagger signal a correlation. Without further research into the role of time on relationship strength within a business to business relationship it is hard to test this contention.

It is uncertain whether increasing the frequency of consumer and firm interaction increases the opportunity to strengthen relationships. Again, this contention tested in research by Ward and Dagger (2005) was dependent upon the services purchased and not widely held in the business to consumer services study. This implied that other variables were involved. These variables could include the level of involvement in the purchase decision or that the type of product or service purchase may be more important that how many service encounters exist. Relationships within the context of a service provider and consumer can vary in strength. Ward, Frew and Caldow (1997) consider that the importance that a customer places upon a relationship with a service provider contributes to the strength of that relationship. In the literature there have been many claims backed by research into the efficacy of the relationship model (Grönroos 1994, Morgan & Hunt 1994, Berry 1983). As the relationship approach is still relatively new, further research is required to add empirical evidence that can substantiate the claims made by the early proponents of the model.

3.12 Relationship marketing theory

Over the last two decades many marketing theorists have sought to explain relational outcomes. Research into relationships is still at a formative stage and a review of the literature indicates that there has been a notable increase in interest from both the academic and practitioner communities in the last ten years. Although many theories concerning relational exchanges exist, the following are considered by Hennig-Thurau, Gwinner & Gremler (2002) to have made the greatest contribution to the academic understanding of RM. Initially, satisfaction was viewed as the key guiding principal in assessing relationship outcomes. This research by Anderson (1998), Anderson & Sullivan (1993) and Fornell (1992) considered that customer satisfaction was the key dependent variable to generate positive relational outcomes such as loyalty and word of mouth promotion. Another view advanced by Zeithmahl, Berry and Parasuraman (1996) argued that the customer's perception of their service experience is the key determinant in predicting relationship outcomes. Perhaps one of the widest cited and enduring constructs in RMwas the concept of commitment when combined with trust (Morgan & Hunt 1994) which is described in the KMV model, Figure 3.6 and discussed in further detail below.

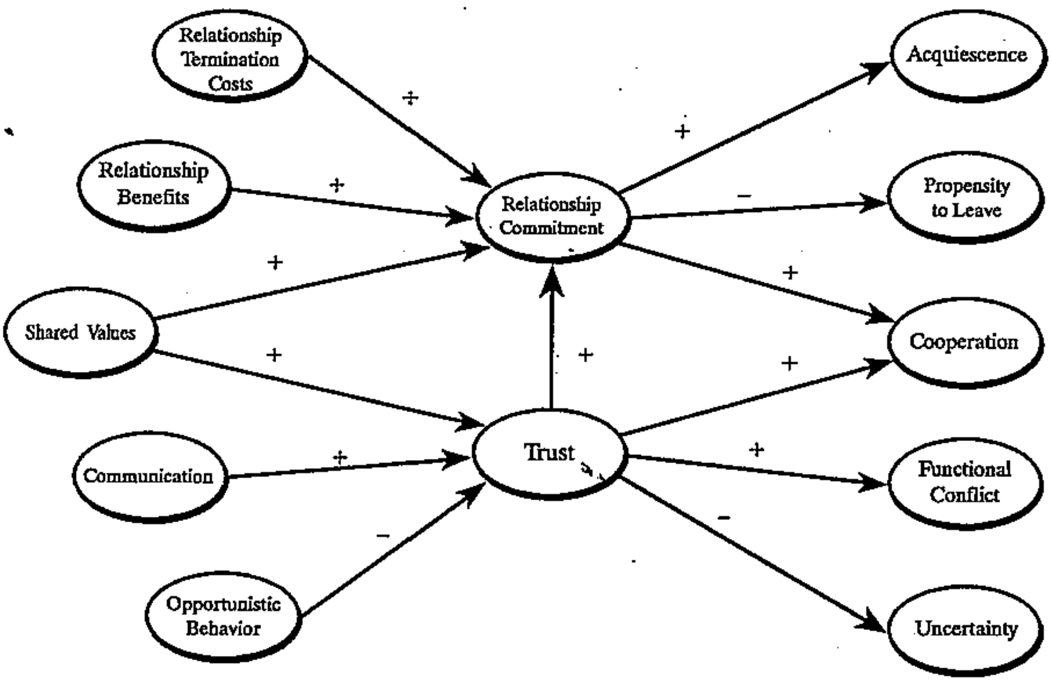
More recently, researchers have developed three key approaches to test causal relations between drivers and outcomes within relationships. These are typified by Crutchfield (1998), Morgan (2000), Morgan, Crutchfield and Lacey (2000) who have developed the relationship content approach, where they state that three variables namely, economic content, resource and social content of a relationship shape the process of how a relationship is built. The second of the more contemporary relational concepts is the relational benefits approach that has been developed by Bendapudi and Berry (1997) and Gwinner, Gremler and Bitner (1998). It contends that both parties within the relationship must benefit for that relationship to be sustainable in the longer term. In short, a customer must derive a benefit either from the core service or from the relationship itself. Gwinner et al. (1998), state that these benefits are either confidence benefits, social benefits or special treatment benefits. A confidence benefit refers to the service encounter and involves any benefit that adds surety, increases a customer's comfort level and reduces their anxiety during that encounter. Social benefits are those that "pertain to the emotional part of the relationship" (Hennig-Thurau et al. 2002, p 234). These benefits involve the social interactions between employees of the firm and customers. These benefits are characterised by aspects such as personal recognition, building rapport and familiarity and the creation of friendships between employees and customers. The last type of benefit within the relational benefits approach is the special treatment benefit. This is illustrated by discounts that are offered only to that customer, faster service or individualised additional benefits such as invitations to CH suites at major events.

It is with these interactions on a social level specifically through social and special treatment benefits that the relational benefits approach to theorising Relationship Marketing integrates with the core theme of this research that has been stated as investigating the influence of CH on B2B relationships.

Reynolds and Beatty (1999) developed the relationship quality approach. Development of this model had been preceded by Crosby (1991), Crosby, Evans and Cowles (1990), Dorsch, Swanson and Kelley (1998) and Smith and Taylor (1998). The relationship quality approach is a multivariate approach that contends that the quality of a relationship is derived from a range of relational constructs. These include the level of co-operation (Baker, Simpson and Siguaw 1999), opportunism and customer orientation

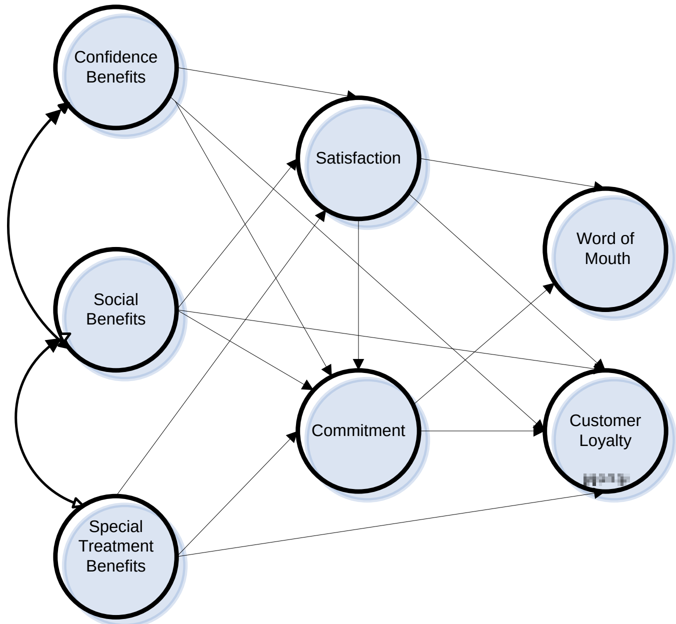
(Dorsch, Swanson and Kelley 1998), the treatment of conflict, willingness to invest and the expectation to continue (Kumar, Scheer and Steenkamp 1995). The central tenets, however, are similar to Morgan & Hunt (1994) insofar as commitment and trust as well as the addition of satisfaction are all considered interrelated rather than independent.

Figure 3.6 Key mediating variable (KMV) model of relationship marketing (Morgan & Hunt 1994)



Relationship Marketing theorists, Robert Morgan and Shelby Hunt introduced the Key Mediating Variable model in their seminal work The Commitment Trust Theory of Relationship Marketing (Morgan & Hunt 1994). Seeking to explain Relationship Marketing, they contended that commitment and trust rather than power was integral to successful relationships. This was contrary to long held views relating to power being “the central concept in network analysis” (Thorelli 1986, p38). Their concept acknowledges that there are many factors that contribute to success or failure of relationship marketing efforts but central to success is commitment and trust. They argue that both relationship commitment as well as trust needs to be present rather than one or the other. If both commitment and trust exist concurrently they will contribute to cooperative behaviours and this will lead to relationship success. Such favourable outcomes include “promoting efficiency, productivity and effectiveness” (Morgan & Hunt 1994, p 22). The KMV model illustrated in Model 3.6 that commitment to the relationship and trust are placed central to the model and that five important antecedents; shared values, relationship benefits communication, opportunistic behaviour and relationship termination costs are mediated by the presence of these variables. Similarly, they plot five outcomes such as propensity to leave, cooperation, functional conflict, decision making uncertainty and acquiescence that are also mediated by the influence of relationship and trust. Through the research and development of the KMV model (Morgan & Hunt 1994) and substantially supported by subsequent research (Kalafatis & Miller 1997), commitment to the relationship and trust were confirmed as key in assessing outcomes in relationships. In essence, commitment and trust encourages marketers to achieve three key aims. Firstly, it assists with preserving relationships as investments through cooperation between partners. Secondly, it focuses on long term benefits from existing partners rather than the distraction of taking short term alternatives that may seem initially attractive. Finally, Morgan and Hunt posit that high risk actions by one of the partners will not be viewed as imprudent, as the existence of commitment and trust would indicate that neither party would act opportunistically to the detriment of the other.

Figure 3.7 An integrative model of determinants of key relationship marketing outcomes (Hennig-Thurau et al 2002)



In Figure 3.7, Hennig-Thurau et al. (2002) seek to explain how satisfaction and commitment within a relationship lead to customer loyalty and (positive) word of mouth. It is understood that customer loyalty is one of the principal aims of Relationship Marketing (Sheth 1996) and lowers the cost to service customers ultimately leading to higher firm profitability (Berry 1995). Likewise, the positive word of mouth generated by customers to others is a desirable goal for any marketer's relationship management program. Word of mouth can be defined as usually occurring informally, and generally face to face. It seeks to convey experiences, opinions and recommendations of a person, firm, product or service that may influence others' attitudes toward them. As a medium of communication, word of mouth is a powerful tool of influence especially where negative sentiment can have a devastating effect on business.

"One determined detractor can do as much damage as 100,000 positive mentions can do good. In the same way that we need to understand who the positive influencers are, it is becoming even more critical to identify and manage determined detractors." (Rand, 2004)

3.13 Relationship marketing as a competitive strategy

Relationship marketing is principally used as a competitive strategy in a firm's quest to attain and retain customers. There are financial and non financial outcomes that firms seek to receive in engaging in a relationship marketing approach. For a profit motivated firm there exists an economic imperative to do so. Verhoef, (2003), Oliver (1999), Payne and Rickard (1997) and Reichheld and Sasser (1990) discovered that there are compelling financial reasons for firms to nurture and retain relationships. The literature indicates that through the development of a relationship orientation, firms seek to build customer loyalty and positive word of mouth communication. It is more expensive to invest in seeking out new customers than the alternative of selling to existing customers where a prior relationship exists (Rosenberg & Czepiel, 1984). Henning-Thurau, Gwinner and Gremler (2002 p. 231) state that "expenses for customer care decrease in the later phases of a customer life cycle due to the growing expertise of experienced customers". Further, Dwyer, Schurr and Oh (1987) reported that as a result of customer loyalty, mining existing relationships results in higher revenue through cross selling and better customer penetration rates in marketing activities. For longer term goals and to ensure future profitability, Srinivasan (2005) stated that corporate success is dependent upon an organisation's ability to build and maintain loyal and valued customer relationships.

The role of developed CRM programs leads to closer cooperative arrangements between buyers and sellers such as partnering. This can contribute to a blurring of roles between marketing actors where in some sense the buyer can exert control over the selling offer. The contention is that "interdependencies, as opposed to independence, will engender reduced costs and improved quality" (Li & Petrick 2007, p 237).

Moreover, the value of a business is often determined through its ability to maintain an existing base of loyal customers whilst simultaneously growing through the attraction of new customers. A paradigm exists through the balancing act of short and longer term objectives of the firm and its role in managing relationships. On the one hand a firm needs to adopt immediate solutions to consumer needs through creating value and satisfaction at the time and point of purchase whilst simultaneously ensuring that these relationships can continue to deliver maximum lifetime value. Relationships take time to create and nurture and are not always profitable in the short term. It may take time before a firm realises the investment made in that relationship (McKenzie 2001). Recognising this, firms need to take considered steps in retaining these relationships and encouraging loyalty.

One of the specific goals of a relationship management program is to retain customers for as long as possible offering the best opportunity for building a relationship. This represents the best chance of increasing "customer lifetime value". The concept of Customer Lifetime Value (CLV) is best illustrated by Peppers and Rogers (1994) who state that a firm engaging in relationship marketing should be focussed on obtaining a share of the customer, not a share of the market.

Assessing the value of a relationship allows an organisation to understand on the basis of a range of alternative scenarios what the expected profit streams could be expected from these relationships over a given period of time. Further, it allows the calculation of a net present value of each relationship. On this basis, an organisation can understand more clearly the investment required without it impacting on the profitability of that relationship. "Knowing the value of a customer or prospect enables the marketer or marketing organisation to estimate or calculate the amount a firm would be willing to invest in a customer or prospect to either gain his business, retain his business, grow that customer's value or migrate that customer through the firm's product or service portfolio" Schultz in Peppers and Rogers (2004, p. 173).

This concept of enhancing and investing in such relationships is reflected in the rise in marketers that are focussed on a long term, customer life value objective model rather than one-off sales (Bolton 1998, Cannie & Caplin, 1991). As with many theoretical concepts, enacting a measurement of CLV can be fraught with obstacles. In the quest to develop a definition on how to measure customer life value, Gummesson (2001) suggests that a firm should define this practice as return on relationships (ROR).

“Return on relationships (ROR) is the long term net financial outcome caused by the establishment and maintenance of an organisation’s network of relationships.” Gummesson (2001)

Transferring the concept of customer life value and the focus on longer term objectives from a B2C to a B2B model is simply juxtaposing one relationship against the other. There may well be slight differences between the definition of relationships between B2C and B2B models but at the core both are based on repeated transactions between the two entities. The fundamental aspects of relationships including trust, commitment, interdependence, mutuality, adaptations and investment appear to resonate between both buyer-seller models. Once the customer base has been segmented into different levels of value to a firm they can be further divided into their stated or implied needs of the firm. The underlying philosophy of Relationship Marketing is arranging a firm’s resources and efforts to “treat different customers differently” (Peppers & Rogers 2001 p. 51).

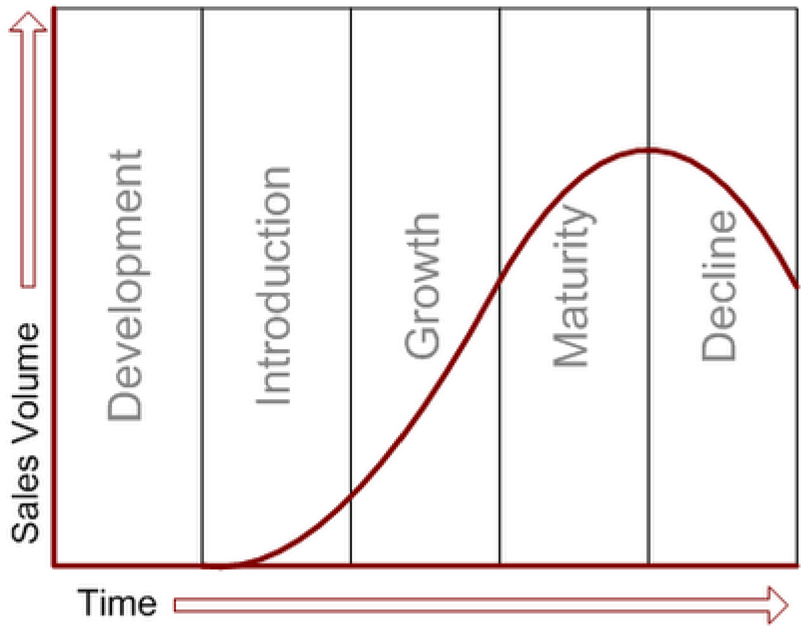
Research into B2B relationships has found that industrial firms prefer dealing with known entities rather than seeking new trading partners (Holmlund 2003, Wilkinson & Young 2001, Dabholka, Johnson & Cathey 1994). These relationships may outlast business to consumer relationships with some co-operative relationships between firms lasting many decades. An example of this is the aforementioned 97 year business to business relationship between Ford Motor Company and Firestone/Bridgestone Tyres that began with a handshake between the two founders and finished acrimoniously in 2003.
This paradigm of a marketing orientation requires firms to cultivate existing customer relationships to ensure value maximisation whilst attracting new customers with the intention of building long term relationships leading to sustained mutual satisfaction (Payne & Frow 1997,Gronroos 1990, Tsokas & Saren 1996).

Relationships are considered to be the cornerstone of a business’ success (Gronroos 1994, 2002). If it is the belief that relationships are critical for future success then this must be translated into the ethos of how a business relates to its stakeholders. Adopting a relationship marketing strategy, firms are able to consider the importance of longer term objectives.

3.14 A relationship life cycle

The stages of the relationship life cycle have been mapped by Friedman (1957) and Ford (1980) in Figure 3.8. In its infancy, a relationship reflects a low level of commitment between each party. If transactions have occurred between the entities they are most likely to have occurred in an ad hoc fashion with no certainty of future exchanges being considered at that time. Should the entities then migrate to the early and developmental stages of a relationship, an increase in contact and communication will assist in the development of an understanding of each entity's needs. At this stage, significantly more time has been invested to reduce uncertainty and build confidence and acceptance. The investment in time learning about how best to engage reduces distance both physically and metaphorically as the parties look positively toward value exchange. During the development stage of the relationship uncertainty diminishes and adaptation to meet the needs of each party occurs leading to increased commitment. When the relationship reaches maturity in the long-term stage, commitment between the entities reaches its zenith and is reflected by there being "little distance between them socially, technologically and culturally" (Brennan, Canning & McDowell 2007 p253).

Figure 3.8 Relationship life cycle (based on Friedman 1957 and Ford 1980)



3.15 Brand equity issues in the relationship marketing paradigm

On a balance sheet, managers often consider that they own brands and can exploit them as assets for their respective organisations. A contrary view is that “brands do not exist as a convenience to managers but as the defining experience in the minds and hearts of consumers” (Stubbs cited in De Chernatony 2001). This misconception is commonly made as regardless of what a corporation would like their brand to be, it is the customer’s view that will define the brand (Kotler & Pfoertsch 2006).

In the industrial age, establishment, maintenance and promotion of brands were the preserve of most marketing managers. A dramatic change for marketers through time has seen a switch in marketing brands as a physical presence in the industrial age to the psychological presence required today. To enliven a brand requires a human context. Whether this is through a sensory experience such as that offered through CH or whether it is in an everyday customer/firm interaction through logistics, invoicing, production or packaging requires each link in the service chain to flow harmoniously to the next. This ensures that the brand promise can be delivered across all facets of the organisations’ operations seamlessly.

This emerging role of the brand as less of a symbol or mark and more as a fluid, interactive and cultural experience has much to do with the relationships forged between employees of the firm and its customers. Often referred to when employees are seen to be "living the brand values" or an organisation being defined as "brand driven" (Kotler & Pfoertsch 2006), both are representative of how an organisation's products and services are recognised by the customer. Aaker (1996) contends that brands are the promise made by members of the firm that denote the firm's standards.

It could be argued that previous marketing communication strategies predominantly aimed to deliver a barrage of one way communication to the widest possible audience. Used as a tool to expand market share over the last 100 years, mass media and more importantly advertising through mass media has played a vital role in reaching the largest number of consumers (Peppers & Rogers 2004). This "elephant gun" approach has proven less productive in recent times in delivering consumers weary by the bombardment of thousands of messages per day in an increasingly cluttered environment. Brands although still vitally important needed to re-invent the approach including alternative communication and engagement strategies to connect to their target markets. Hence, a brand's success has been driven through reinforcing the brand's meaning over time through consistent image and delivery (Yakimova & Beaverland 2005, Michell, King & Reast 2001). Rather than shout out loudly to the widest possible audience, contemporary marketing using a relationship approach seeks to have many different conversations, in the language appropriate to each of them at a suitable time and place. Kotler & Pfoertsch state "Relevance, simplicity, and humanity – not technology – will distinguish brands in the future" (2006 p 323).

Where repurchase of a brand once signalled loyalty, consumer behavioural theorists now understand that this can no longer be considered a given (Newman & Werbel 1973). Morgan and Hunt (1994) argue that brand attitude forged through relational exchanges is more likely to determine brand loyalty as it identifies a level of commitment achieved through positive attitude toward a brand.

Adopting a relationship approach requires a closer involvement of the customer with the brand and the development of a brand experience through brand interaction. The rise in access to information through technology has created new opportunities for brands in their quest to attain, retain or grow a customer base. Through the use of technology, a firm is able to collect more and more information about their customers and use it to better serve them. These data when analysed include purchasing intentions, buying behaviour as well as critical sales and distribution information such as time and point of purchase. Enterprises that successfully integrate the information gained from the interactions with customers can drive sustainable competitive advantage through manipulation of their offering to better meet the needs of customers, building what is termed a "branded relationship" (Peppers & Rogers 2005). This allows the brand to metaphorically enter into a dialogue with the customer that will allow flexibility in constantly adapting to suit changing individual needs. In two B2C examples, the on-line book retailer Amazon and the PC manufacturer Dell are two exemplars of operational CRM programs that bring intuitive technological software to forge customised communications that individualise offers.

A brand can be many things but most specifically it stands for the promise or promises that a firm makes to its customer (Davis 2000). The brand through its market perception and loyal followers is as important an ingredient in determining business success as the goods or services produced by the firm. Although price has been cited as a signal for quality (Zeitmahl 1988), buyers have been shown to place a great store of value, indeed they believe that reputation, credibility and service expectations can be conveyed in an acceptable brand name (Zeitmahl & Bitner 1996).

Staff, therefore, are the embodiment of the brand through service encounters or the "moments of truth" (Carlzon 1987) where what the customer receives and how they receive it is measured in the minds of the consumer. To illustrate this further, Michell, King and Reast (2001 p 418) argue that firms have driven a customer focussed strategy whereby selected employees have been motivated "to get closer to the customer, to demonstrate a commitment to long term buyer-seller relations". The subtext is the experience a customer receives in each service encounter and is reflective of how well the employee's own values align with the firms or put another way the "brand promise". Hence the adage, 'hire for attitude, train for skill' is an appropriate response to recruitment in an experience economy where elements of a brand like an iceberg contain both elements that may be seen or unseen (Davidson 1997).

3.16 Corporate hospitality and relationship management

Attaining, retaining and enhancing relationships between firms and their stakeholders are at the core of Relationship Management. CH is one instrument that may be used to bring stakeholders closer to a firm. CH has grown as a popular marketing tool used in building customer commitment and loyalty especially in business to business channels (Flack 1999, Chetwynd 1998). The rise in its prevalence has been mirrored by the acceptance that a Relationship Marketing approach can benefit firms seeking to take long term customer lifetime view of their customers. One of the principal reasons it has thrived is based on the capacity of CH to enhance interpersonal commercial relationships (Iacobucci & Ostram 1996). The unique experiential qualities of the practice, that is, inviting attendance to exciting events, offers customers or other stakeholders the chance "to participate in a collective experience which is distinct from everyday life" (Getz 1989, p.127).

CH is extended by organisations to stakeholders for a range of different motives, but chiefly to assist in delivering business objectives. Specifically, it is a form of experiential marketing, where an organisation brings together a range of stimuli whenever it interacts with the customer, rather than focussing solely on products and services (Schmitt 2003). In B2B markets where electronic communications facilitate many exchanges, it can personalise an otherwise impersonal industrial buying process. Schiffman, Bednall, Cowley, Cass, Watson & Kanuk (2001) stated that organisational buying tends to be less emotional than many consumer decisions to purchase. Consumers therefore judge a company and its services not only by intrinsic but often extrinsic informational cues (Schiffman et al 2001), so that issues such as image, the service environment and reputation all play a role and this is where CH can impact perception. Cultivating trust and commitment, both identified by Morgan & Hunt (1994) as key Relationship Marketing outcomes are central to CH programs. A well planned and executed CH program can convey the essence of the organisation. CH when integrated into corporate brand communication can convey "the complete corporate ethos and experience summed up in the company's reputation and consciously projected to select audiences" (Gregory & Wiechmann 1997 p 11). Hence, the invitation of opinion leaders (Hutt & Speh 2009) whose expertise and trustworthiness makes them highly suitable CH guests can within the confines of an event be used as a tool of persuasion. CH can be employed as part of an advocacy campaign, where invited guests may be stakeholders other than customers of a firm (Allen, O'Toole, Harris & McDonnell, 2008). In entertaining other stakeholder groups through CH, a form of banking of goodwill of those invited is viewed as an investment in ongoing business success. Further, creating a human side to an organisation through the establishment and maintenance of long term relationships in such a way builds corporate reputation and reinforces corporate brand presence.

3.17 Consumer behaviour, motivation and the corporate hospitality experience

An application of consumer behaviour theory must be sought if any sense of the practice of CH is to be understood. When seeking to explain the influence that CH has on individuals, implicit in that is the contention that correlations may be drawn between attitude and behaviour that consequently are reflected in purchase intention and loyalty to a brand and that the stated changes are due at least in part to CH.

Why consumers act the way they do has been examined in detail in the research of Azjen and Fishbein (1975), defining this in their theory of reasoned action. Predicting consumer intentions and the extension of this research through examining the links between attitude and behaviour, Azjen (1991) produced a model that can be applied to the manner in which CH influences brand attitude and purchase behaviour. Maslow's *The Hierarchy of Needs* (1954), McClelland's *Needs* theory (1961) and Alderfer's *ERG* theory (1972), all motivational content theories, apply to this study especially in the decision to accept or decline an invitation to attend a CH event. All theories represent the human need to seek recognition, status and prestige as well as a sense of belonging or affiliation. Additional support lies in Sigmund Freud's description of the human Ego (Yakelovich & Barrett 1971). CH can offer an entrée to an exclusive club (Buchanann 1965), confer privilege and build social capital for guests while allowing the host to control the advantage bestowed. The motivational processes involve both extrinsic rewards, through the offer to attend an exclusive event, as well as intrinsic rewards such as access to the social milieu that attendance affords. It is evident that CH is not limited to just customers. Employees, media, politicians, celebrities and suppliers are all stakeholder groups (Davidson & Cope 2003) that may attend for a variety of reasons. These reasons include expectancy described by Vroom (1964) or non-monetary fringe benefits suggested by O'Hagan and Harvey (2000) whose research was based on Hygiene factors identified by Herzberg (1959).

In terms of how an attendance at an event influences behaviour is the subject of this research. As basic attitudes are formed through our formative years from family and social groups, it is not until adulthood where more refined attitudes are forged. In B2B markets it is the intention of the selling organisation to engender favourable attitudes towards its products and services. Once an attitude has been established in the mind of the buyer it is often difficult to alter. Therefore, ensuring a positive attitude to a brand or organisation is a critical process in establishing custom and loyalty. It is clear that CH can be applied at any stage of a consumer decision process whether the buyer is an established client or prospect.

Purchase decisions are often made after a screening of potential alternatives and may occur over a variable time frame. With industrial or business to business channels, the length of time and screening process varies dependent upon whether the purchase is for a new purchase, re-purchase or modified re-purchase and the strength of the relationship established between vendor and buyer.

Often in an industrial buying process, those employees charged with procurement may not behave entirely rationally when selecting products or services. This satisficing behaviour (Simon 1947) refers to the behaviour buyers' exhibit when seeking a solution from a range of alternatives that may meet one or more criteria but may not be optimal against a range of preferences or objectives. Hence, the role CH plays in influencing individuals in the context of a purchasing cycle may be explained in this way. Whether the effect of CH leads to insufficient examination of alternatives through less time in screening or the narrowing of a field of worthy contenders by a buyer, each action would benefit the firm more closely engaged with its customer.

Organisational buying tends to be less emotional than many consumer decisions to purchase (Schiffman et al. 2001). However, similarities do exist because both entail human involvement in the intention to purchase.

Most organisations have specific objectives for their purchases, which may be to improve efficiency or lower costs with each of these outcomes designed to increase performance. When faced with an organisational buying process, the seller needs to focus on selling benefits. This can be done by firstly ensuring that the stated aims of the purchase will be delivered and secondly through assisting the purchasing organisation in delivering the aforementioned aims. Consequently, it is essential that the selling firm makes an emotional connection with the decision makers and influencers of the buying firm through appealing to personal, emotional or psychological needs, fostering rapport. If the company makes a first time purchase from the vendor there may exist several barriers to trade. A risk exists whereby the purchasing firm may be making a leap of faith. This may be based on having no established history with the firm, its products or services. If the key decision makers or influencers of the buying group make poor purchase decisions, the outcomes could impact on their future roles, responsibilities or career progression. This setting is described as the conditions or environment existing for decision making (Schermerhorn & Bond 1989). Therefore, in absence of a past trading history it is essential to build rapport and credibility without delay.

Many similarities exist with another vital communication tool used in industrial goods and services, namely, personal selling. CH can allow the host control over the environment; provide immediate feedback, a two way message flow and the ability to tailor the message specifically to the target. It is understood that personal selling in the industrial sector is 5.2 times more important than advertising (Weitz 1978) and the role that CH plays aligns well to the organisational buying process where gaining access to those in a buying group may be limited (Coe 2004). To penetrate the cadre of influences within such a group responsible for buying decisions requires an assessment of each actor’s importance as well as opportunities for access. CH can be aimed to break through, creating a dialogue with a longer term goal of forming a relationship with each member of the group.

There is a catch, as Giraudoux (cited in Body 2004) put it; the secret of success is sincerity, once you can fake that you've got it made. Rather than swamp the consumer with questions, product advice and CH invitations, a more sensitive, graded and genuine approach is required. If the target sees through the tactics or artifice to engender their custom, not only will it fail but it will discourage future attempts at persuasion. In this sense, Fournier, Dobscha and Mick (1998, p. 135) argue that Relationship Marketing should be “the epitome of customer orientation” and with all healthy long term relationships, an understanding of the importance of trust and honesty is paramount. Whether a CH invitation is accepted may well depend upon the bona fides of the host as well as the organisation behind it.

3.18 Summary

The examination of Relationship Marketing covered in this chapter reflects its growing importance in contemporary marketing. This has been evidenced by the growing body of research and publication in the field as well as the increase in practitioner adoption throughout the business community. RM will continue to play a significant role in B2B marketing where organisations come to recognise that value creation is greatest when there is investment in relationships rather than transactions and that this approach leads to longer term sustainability. CH as a marketing instrument has been identified as a social and/or special treatment benefit (Hennig-Thurau et al. 2002) for a customer within a CRM program. That this is recognised as having an influence on satisfaction and commitment leading to an increase in positive word of mouth and improved customer loyalty is considered integral in the research underpinning this thesis.

CHAPTER 4: CONCEPTUAL FRAMEWORK

"You cannot see the mountain near"

-- *Ralph Waldo Emerson*

4. Introduction

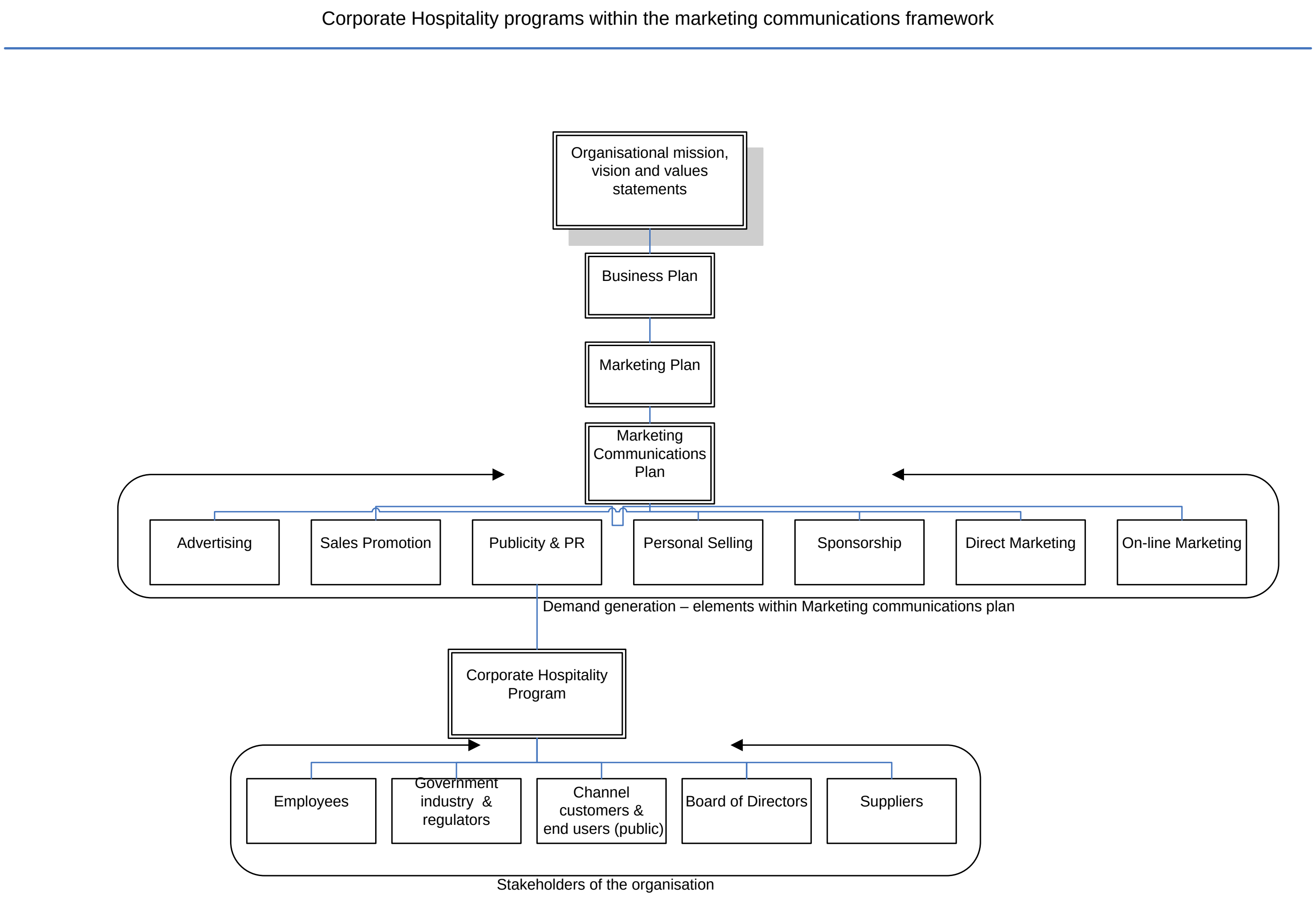
Previous chapters of this thesis reviewed the academic literature that related to Special Events and Relationship Marketing and their role in CH programs. As has been stated, the relative scarcity in the academic literature relating to the practice itself has been the catalyst for this research and ultimately in developing a conceptual framework that relates specifically to CH. The research draws on several sources and is considered to be interdisciplinary in nature. The discipline that best guides this research however is marketing. Specifically in the advertising response models in particular, that assist in informing the conceptual model and the literature and models related to consumer behaviour.

Primarily, the role of the conceptual framework that guides a study should be to convey "how the researcher views the concepts involved in a study – in particular the relationships between concepts" (Veal 1997, p. 44). A conceptual framework, therefore, requires not only a definition of the concepts, it requires exploration of those concepts as they inter-relate as well as an 'operationalisation' of the concepts in terms of the way they may be assessed or measured. This chapter discusses the various dimensions involved with the CH experience and theories that have guided the conceptual framework and the role that each plays in this study.

4.1 Corporate hospitality within a marketing framework

To understand more fully the role that CH plays, it is necessary to contextualise the practice within a wider marketing framework. CH is, but one option, used within an arsenal of potential communications tools that comprise an organisational marketing communications strategy. This is demonstrated diagrammatically in figure 4.1 where the model emphasises a top down organisational planning perspective for CH and where within this framework the function traditionally resides. Although the model highlights specific targeted stakeholders that may be recipients of CH invitations, it is acknowledged that this is not representative of all potential stakeholders of an organisation. On occasion, organisations may entertain the general public through CH offered as part of promotional campaigns although this is far from typical and is not subject to the core of this research. As CH is more commonly related to B2B marketing, the practice does not seek to necessarily engage all stakeholders of a firm. Certainly, the integration of employees may be considered for hosting or reward purposes but the predominant focus is targeted to customers. For engagement with other stakeholders including the general public and host communities, other marketing communications strategies may be used. These could include Direct Marketing, Advertising, Exhibitions, Personal selling or Sales Promotions.

Figure 4.1 Corporate hospitality programs within the marketing communications framework



4.2 Conceptual framework

The following table explores the individual terms involved in the research and defines them for the purposes of this study.

Table 4.1 Conceptual Framework

Concept	Definition	Operationalisation
Corporate hospitality experience	The physical, mental and emotional knowledge gained through involvement and exposure to CH (at a special event). CH has been defined as the practice of extending an invitation to guests, at no charge, to attend what are referred to as memorable special events or other type of organised activity most frequently occurring for a day or less but in the instance of mega events several days.	Responses to a range of tangible and intangible elements that comprise the CH experience including: Guest elements: • History with host organisation • Preconceptions & knowledge of CH Event related elements: • The Event • Venue Services & Facilities • Food & Beverage Host organisation elements: • Hospitability • Networking
Special event	The phenomenon arising from non-routine occasions that have leisure, cultural, personal or organisational objectives set apart from the normal activity of daily life, and whose purpose is to enlighten, celebrate, entertain or challenge the experience of a group of people (Shone & Parry 2004)	For the purposes of this research, Special Events are classified as those that hold Hallmark or Major Event status within Tourism Victoria or Tourism Australia classifications
Purchase intention	The intent to purchase now or at some time in the future, products or services from an organisation	Current (and future) intended purchases of the products or services offered by the host organisation in money and volume terms from the recipients of CH

Concept	Definition	Operationalisation
Brand equity	The value of the brand in its holistic sense to its owners as a corporate asset (Borja de Mozota 2003)	Brand equity is a set of assets (and liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or that firm's customers. The major asset categories that can be tested by consumer response are: 1. Brand name awareness 2. Brand loyalty 3. Perceived quality 4. Brand associations (Aaker 1996, Veal 1997)
Interpersonal commercial relationship	An interpersonal relationship within a commercial setting (i.e. Business-to-Business) (Iacobucci & Ostram, 1996)	Relationship quality between businesses can be measured through a range of variables such as the responses to the level of trust and honesty, commitment, the level of integration or cooperation between the organisations, the relative power of that relationship, kept promises, friendship, understanding, interest, sincerity, rapport and whether the relationship is profitable to each party (Sirdeshmurkh, Singh & Sabol 2002, Ward, Frew and Caldow 1997, Crosby, Evans and Cowles, 1990; Dwyer, Schurr and Oh, 1987)
Efficacy	Power to produce effects or intended results (effectiveness) (wordnet.princeton.edu 2008)	Response (agree strongly, agree, disagree, etc) to whether CH provides a better return on investment than other marketing communications instruments (such as Advertising, Public Relations, In person Sales calls, Direct Marketing)
Attitude	Person’s feelings towards something/someone, an acquired behavioural disposition (Veal 1997)	Response (agree strongly, agree, disagree, etc.) to a number of statements on a given topic

4.3 Consumer behaviour

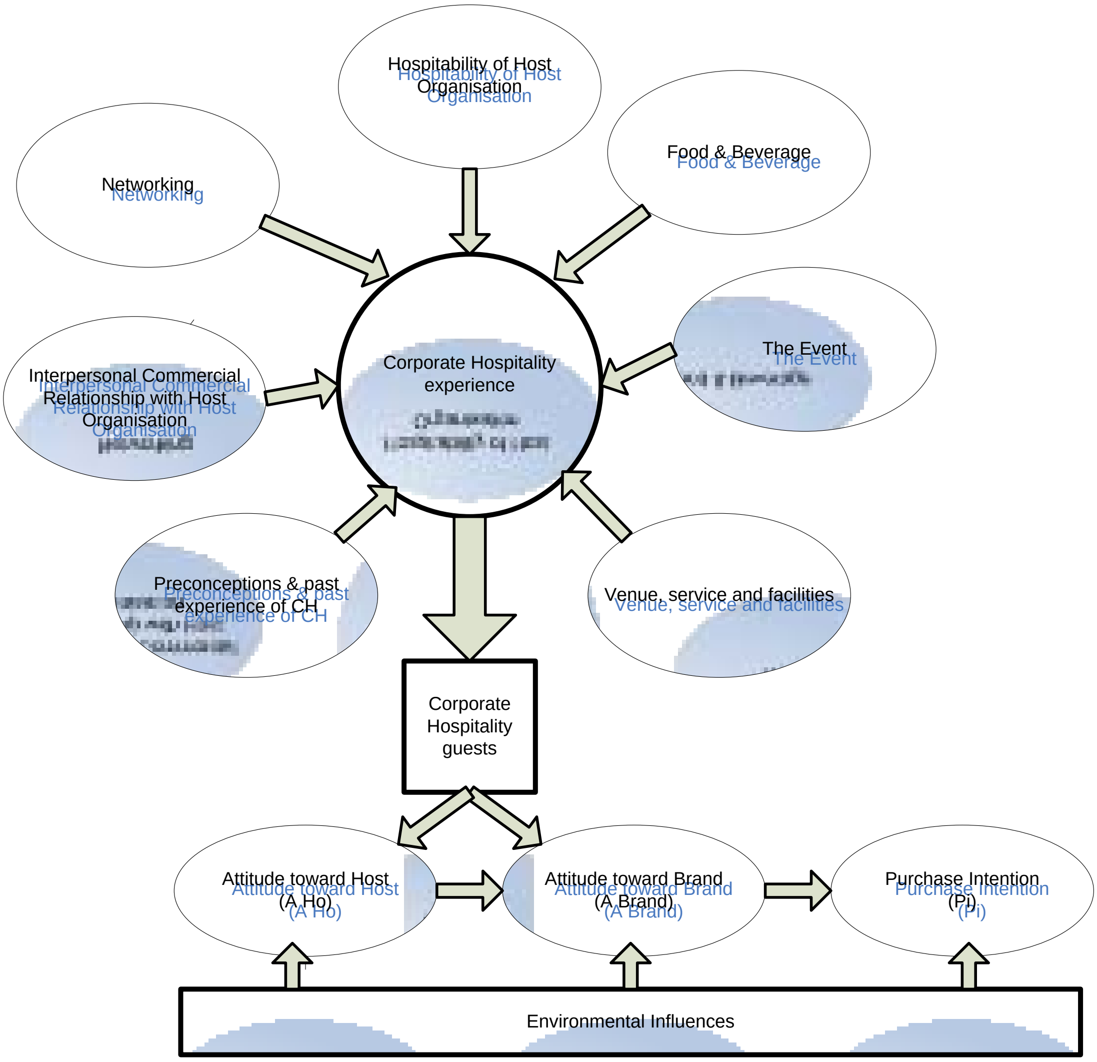
In early economic theory relating to consumer behaviour, the concept of utility was believed to be the driving force as an explanation of consumer preference and behaviour (Samuelson 1938). Although utility plays a role in the purchase behaviour of firms in industrial markets, the increasing role of substitution where “most brands within a product category are substitutable in that they are similar in terms of their formulation and functionality” (Stone & Desmond 2007 p. 222) is equally an important consideration. In B2B markets, there are often several suppliers available in markets of the same or similar goods required as inputs for the production of goods or services. These business inputs can be many and varied. Regardless of whether they are low involvement purchases such as office consumables, or higher involvement purchases such as professional services like accounting, insurance or audit services, choices can often be made from several suppliers. A globalised market has brought about the dismantling of many monopolies and created an era of hyper competition (Saimiee 1994). In this changed world, where many goods and services have been homogenised to the extent that little difference is recognised between them, industrial buyers have been greatly liberated in terms of purchase choice. As a result, selling organisations have needed to shift focus from their core product offering, whether product or service, to understand more fully how to relate to and nurture their customers. The role of relationships in both consumer and business markets as previously stated in Chapter 3 reflects how critically important the service aspect and engagement process is, in ensuring continued transactions in what has been referred to as maximising Customer Life Value (CLV).

With more choice and little differentiation between brands, consumers then relate to cognitive and emotional cues when deciding which organisations, people and brands that they are willing to trust. It has been discussed earlier in this thesis that consumer decisions are made based on both rational and emotional stimuli. Craig (2002) argues that humans make purchase decisions on emotional factors as readily as rational ones. This underscores not only the importance of business relationships but also the excitement and experiential essence of CH and why employing CH ultimately seeks to deliver what is deemed “an emotion shift” (Kover 1995).

4.4 A conceptual framework

The proposed conceptual model outlined in Figure 4.2 seeks to illustrate the practice of CH in two distinct ways. Firstly, it considers the elements that contribute to the guest experience. Secondly, it seeks to track how the experience itself may lead to changed perceptions or attitudes, the aforementioned "emotion shift" (Kover 1995) toward the host organisation. From those potential changes in attitude towards the host organisation and the organisation's products and services the model examines how the experience itself influences purchase intention of those products and services through the Hierarchy of Effects (HoE).

Figure 4.2 Conceptual model to test effects of corporate hospitality and attitudes and behaviour toward host organisation and brand



The conceptual model is designed to test the direct and indirect effects of CH on belief, attitude and intentions. The first part of the model focuses on peeling away the constituent parts of what comprises the CH experience. These parts include the venue, service and facilities, the event itself, the food and beverage the hospitality of the hosting organisation, networking, and the commercial interpersonal relationship with the host organisation and the preconception or pre-existing experience of CH. Once each variable is known it is easier to understand the relative importance of constituent parts of the experience, which actor is present and how they may play a role in belief and attitude formation.

The second part of the model is wholly concerned with the delineation of beliefs, attitudes and behavioural intentions (Fishbein & Azjen 1975). CH has been identified earlier in this thesis as a social and/or special treatment benefit for a customer within a CRM program (Hennig-Thurau et al. 2002). Hennig-Thurau and his colleagues contend that these social or special treatment benefits play a major role in increasing trust and satisfaction with the host. Therefore, the second part of the model focuses specifically on how a CH experience as a social or special treatment benefit influences attitude and behaviour formation. Fishbein & Azjen's (1975) seminal work on Consumer behaviour suggests that purchase or (behavioural) intention is a function of an individual's beliefs and the importance that the individual stores in those beliefs. Whether the purchase intention can be predicated by the behaviour and attitude formation created by the CH experience is the purpose of this study.

For many years, Lavidge & Steiner's (1961) Hierachy of Effects (HoE) model has guided the process by which advertising and marketing consumer responses have been tested. The Hierachy of Effects model has relevance for the practice of CH and adoption in the conceptual model as both advertising and CH have similar aims. Both seek to change consumer attitudes and purchase behaviour to the organisation (and brands) that invest in these marketing tools. Krugman (1965 p. 355) argued that the way an HoE model operates is dependent upon whether the goods and services required by a consumer are purchases that require low or high involvement. Krugman stated that "a consumer in a low-involvement situation might look for gradual shifts in perceptual structure, aided by repetition, activated by behavioural-choice situations, and followed at some time by attitude change." In low involvement purchases, several steps (building awareness and preference) in both unconscious and conscious states are required before a change in purchase behaviour is detected.

Most commonly, CH is deployed within an industrial sales or B2B setting. As a result, there are considerably fewer steps involved in this process as those invited guests are usually involved in purchase decisions that are of high involvement. Guests may be invited for several reasons and building awareness of the brand or company may only be necessary for new entrants to a market. Continuity of care and attention in sustaining profitable relationships is balanced against the need to build awareness and preference in newer customers.

Where purchases have a high degree of personal involvement they require “bridging experiences, connections or personal references” (Krugman 1965 p. 355). This is explained where there may be a conflict of ideas at the conscious opinion and attitude formation level before changes in overt (purchasing) behaviour may occur. With high involvement purchases, such as those in an industrial or B2B marketplace, there may be ‘a lot to lose’ should a purchasing decision be found wanting. The consequences of such an occurrence could be reflected in lack of career advancement or termination of employment. The practice of CH, therefore, can build such bridges referred to by Krugman between a consumer and firm. Through a focus on personal attention and interest in the guest, its role can engender trust and build confidence in the host organisation and products.

Figure 4.3 Corporate hospitality experience and hierarchy of effects (after Lavidge & Steiner 1961)

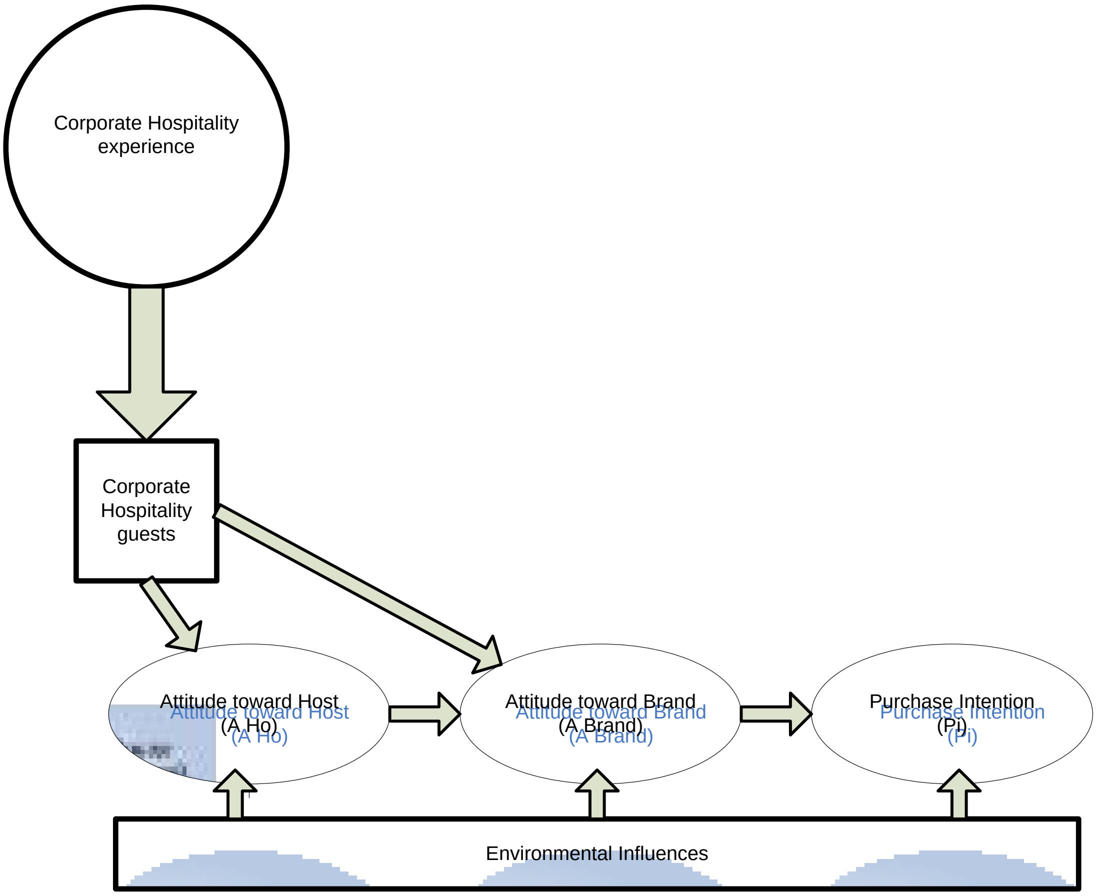


Figure 4.2 the proposed conceptual model illustrates the component parts of a CH experience and the hierarchy of effects. Figure 4.3 dispenses with the constituent parts and presents the hierarchy of effects flowing from a CH experience. The focus of the model presented in Figure 4.3 proposes that during and after a CH experience there is a detectable change, “an emotional shift” (Kover 1995) as a result of the CH experience. This, it is proposed, is reflected in the perceptions and attitudes of CH guests toward the host organisation. The contention of the research is to assess whether there is detectable change in attitude to the host organisation and the organisation’s brand with the reflection of these changes in attitude recognised by detectable change in purchase behaviour, hence a hierarchy of effects (HoE) (Lavidge & Steiner 1961). It could be argued that guests may improve their attitude to the brand or more specifically products and services of a host organisation without altering their attitude to the host. In this case, the opportunity provided by CH for networking may

be critical as the knowledge transfer that occurs between guests (refer Figure 4.4) may in fact be the catalyst for a third party endorsement of the brand, independent of the influence of a host.

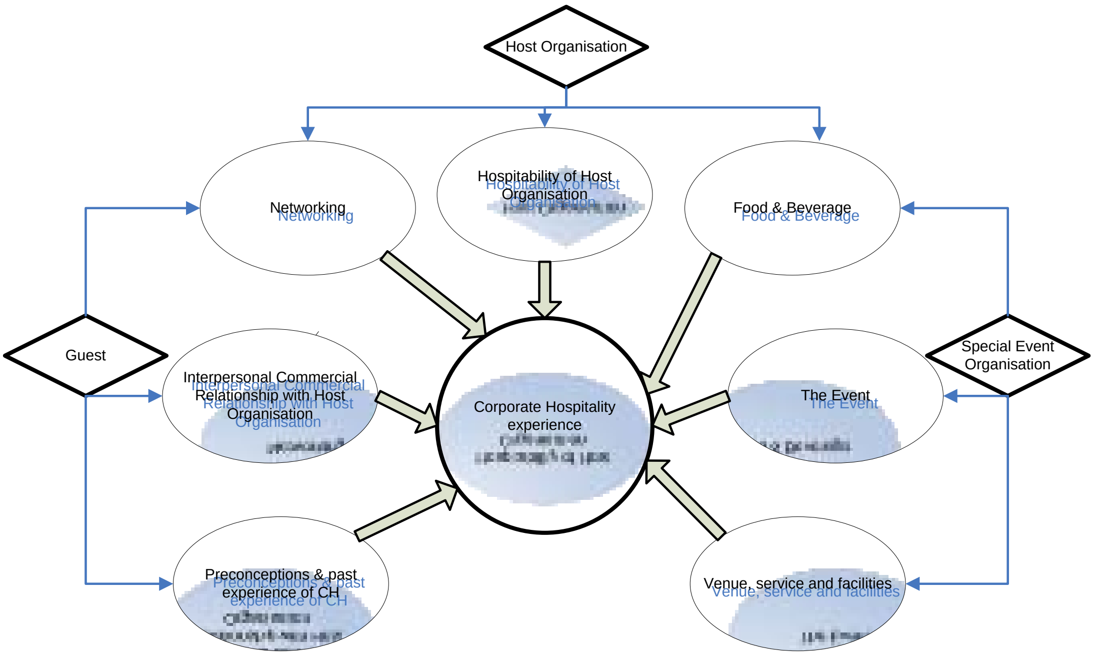
Further research into HoE (Barry & Howard 1990, Batra & Vanhonacker 1986, Preston 1982, Ray et al. 1973) indicates that rather than a static model several iterations are possible within a HoE framework. It is considered, therefore, that it is suitable for adoption in this conceptual model. This is particularly so for high involvement purchases where conscious consideration is given at the moment of exposure. In a CH environment earlier steps such as awareness and engagement (with the host organisation) have already been established prior to the CH experience. These steps include the existing interpersonal commercial relationship (ICR) and the acceptance of the invitation as well as in person calls or service encounters. All factors that could be argued also present catalysts for changes in perception and attitude.

4.5 Actors contribution to a corporate hospitality experience

In the conceptual model there exist three primary actors involved in a CH event. These are the Guest, the Host organisation and the Special Event organisation. This simplistic model of the three actors, discounts the role of brokers of CH products. There is no doubt that brokers are important in terms of the supply chain in providing access to CH at many special events, however, they are invariably ‘middle-men,’ not directly involved in the delivery of the experiential aspect.

Each one of the actors indicated in Figure 4.4 contributes either tangible or intangible elements that make up the CH guest experience.

Figure 4.4 Actors influence on elements of the corporate hospitality experience



The invited guest is described as a stakeholder of a host organisation. As outlined in Chapter 2, that stakeholder may be an employee, representative of the media, a buyer or supplier, a member of a government, regulatory body or a partner or guest of the recipient. That the invitation itself has been accepted is the first step towards the consumption of the CH experience. Guests selected for CH in most cases are those considered significant enough to warrant selection amongst alternative choices. These guests are generally identified as those who, potentially, could best assist the business in delivering its objectives.

A host organisation is, in most cases, a commercial entity or business that has made a conscious decision to purchase CH at a Special Event as a means to access those invited guests. Not all buyers originate from the private sector as both not for profits (NFP) and the public sector may on occasion make strategic purchases of CH to meet their commercial objectives.

The third actor is the Special Event organisation. This is the body with the rights and responsibility for staging the event. It is responsible for all aspects of planning, marketing and conducting the event. CH, like Event sponsorship, has become increasingly competitive and remains an important source of revenue for such events. Special Event organisers pay specific attention to the needs and demands of the CH market as although it is high yielding business, it expects a higher level of service than that of the general public. As a result, Special Event organisers focus on several aspects of the CH offering. These may include, but are not limited to marketing such as theming, pricing and positioning and promotion as well as more operational considerations such as sightlines, venue facilities and parking, as well as staffing, food and beverage. As sophistication of the corporate product offering has increased some event owners have looked to sub contract these services, however, they remain vigilant in protecting the standard of their CH offering.

The elaboration of the elements that make up the CH experience is expanded upon in more depth in the following section.

4.6 Elements of a corporate hospitality experience

Bennett (2003 p 230) describes CH as "the events and activities organised for the benefit of companies that wish to entertain clients, or prospective clients or employees, at the company's expense". The limited research that has been undertaken on CH to date has so far focussed on the extent of the practice and the ethical debate related to its use as a legitimate marketing tool. A gap in knowledge exists that relates to the elements or dimensions that make up a CH experience. Unlocking the constituent parts of the experience seeks to illustrate the way individual guests approach the practice. Further, it could seek to explain how individual actors within a buyer-seller relationship can improve the elements that they control, ensuring that successful outcomes may be achieved.

4.6.1 Corporate hospitality experience: the dimension of food and beverage

A critical part of any CH offered is the provision of some form of food and beverage for guests. "Sharing food is the foundation of civilised behaviour; it is what links individuals, families, villages and tribes" (Visser 1991 p. 53).

More pertinent is the assertion by Lashley (2000, p. 8) that "the patterns of food and drink consumption are some of the activities which assist societies in defining who they are, and in distinguishing 'civilised' behaviour". Lashley signals that such events as CH that provide opportunities where food and drink are consumed in a social context, give individuals the opportunity to display their status and social standing. Further, he states that "individuals display both their connectedness to the society and display their culture and understanding of shared norms" (Lashley 2000, p. 9). CH events invariably offer certain types of food and beverage, the consumption of Champagne as an example is a norm for such an event. Champagne is widely recognised as a beverage linked to celebration, occasion and reward.

The trends in food served at these events can vary, but moreover represents the food choices and social status of invited guests. Bourdieu (1996) considers that food consumers can be categorised with regard to their economic or cultural capital. Such descriptors reflect that guests invited to attend such events come from a social group with higher disposable income and hence their tastes may include a more discerning palette when consuming food and wine.

Similarly, the term "cultural capital" pays more heed to education and cultural awareness. An important consideration for a corporate food and beverage experience has been the gradual evolution towards more "healthy" eating and moderation in alcohol consumption. The movement to selecting foods that are "better for you" has been documented by Anderson, Milburn and Lean (1995) and driven by consumer concerns related to avoiding disease (Tufts University Health and Nutrition Letter 2003, p.5) as well as the perceptions of an individual's body image (Rozin 1996).

In addition to these culinary changes, drinking choices have also evolved. Water as a beverage category in its own right (both still and aerated) has appeared, lighter more European styles of wine have emerged and low alcohol and low calorie beers are being increasingly sought out by both genders. Another consideration for CH practitioners is the current health promotion strategy to curb binge drinking. This may in fact have wider implications for work based socialisation including those offered by CH.

4.6.2 Corporate hospitality experience: venue service & facilities

Whether the proposed CH event is at a remote location such as an Opera staged in the "Outback", or a Grand Prix street circuit, or whether it is in a purpose built sporting, cultural or entertainment venue will greatly influence the facilities available to guests. Recurring events held in existing venues often provide a wide array of facilities. These are often purpose built and targeted at a corporate guest offering a more consistent and controlled experience. In contrast, special events that are either created as "one-off" events or built using temporary infrastructure often result in less well appointed corporate facilities where compromises due to budgetary, site or logistical requirements dictate what is presented. Service and security staff at the event must be well groomed and attired and treat corporate guests with care and sincerity if they are to make a positive impression on the guest experience. The expectation for host organisations seeking CH facilities for corporate guests may include clean and accessible rest rooms; secure car parking or the option of personalised transportation to and from the event. In addition, event service staff are expected to be knowledgeable about the event at which they are working, to the point of being able to readily provide information regarding the event or facilities or meeting other guest needs diligently. The seating or viewing platform for the event and dining should be readily accessible and comfortable. The sightlines to the event should be clear as proximity to the event itself may influence a guest experience. If the event is held outdoors such as a motor race, polo tournament or sporting event, protection from the elements (whether sun, rain or wind) will also have a bearing on the guest experience.

4.6.3 Corporate hospitality experience: networking

In the conceptual model, networking is related to knowledge transfer. On acceptance of an invitation, the way in which the host organisation interacts with the guest is referred to in the model as hospitability and the second dimension, networking refers to the way that the guest interacts with others in the environment and the information that they absorb as a result of attendance. Research conducted by Mair & Thompson (2005), into the business meeting sector in the UK, provides evidence of the importance of 'meeting people' as a key aspect in the decision to attend a conference. The authors go on to state that "over 30% of those respondents who gave reasons for attending the conference mentioned the networking aspects" and that the social aspect either arranged formally or informally within the bounds of such meetings was "useful and important" (p. 63). It is not unreasonable therefore to argue that attendance at a CH event, similar to other business events, allows opportunities for networking. The benefit to an individual attending is that it allows an opportunity to establish a reputation amongst one's peers and the host as well as meeting up-and-coming professionals as stated by Mair & Thompson. Knowledge transfer is allied to the networking dimension in the proposed model. It may take several forms as part of the networking process where information gained for personal, professional or business gain may be gleaned through fellow guests or the host. Alternatively, it may standalone as an educational component from the host organisation seeking to communicate a specific message to the invited guests. The level of content and knowledge transfer in host organisation led programs may vary. Whether that vehicle takes the form of a seminar, welcome speech or organised training and development held at the special event will determine the intention and perhaps expectations of the host on guests.

4.6.4 Corporate hospitality experience: the event

Crucial to the guest experience is the attraction of attending the event itself. Whether the special event is held for business or leisure, social, cultural or religious reasons, several characteristics remain the same. Specifically, “the event must be consciously planned and is sought to mark a particular occasion” (Getz 2005, p.16) regardless of whether that purpose is for celebration, commemoration, or sporting contest. For the event organiser, it is often a financial necessity that the event has corporate appeal. Getz (2007) states that interest in mega events such as World Cups of Football or Rugby or the Olympic Games where corporate clients invest in securing or maintaining their CH positions relate directly to the consideration of ‘value for money’ (p. 85). Similarly, he argues that such events are usually “bold and globally communicated symbols of development” (p.86) so it is not surprising that many organisations seek to align themselves with such vibrant and positive national statements.

For a host organisation, such a significant investment of marketing expenditure often requires that several objectives are met, not least among these is that the attendance of key invited guests is maximised. Therefore, the event must appeal to its intended audience. If not a mega or hallmark event, the event would be selected where demand for the artist or program of that event is high. A major national or international sporting contest would appeal to corporate guests if the target market was aware of its significance or the hype surrounding it. Event attraction may be gender specific and therefore great care is required when deciding what events appeal equally or exclusively to a specific gender (Ryan 2002, p 147). Track and field, swimming and tennis at most major levels cross the gender divide; however, sports that are attractive to male coteries include golf, test cricket, rugby, league, soccer, Australian rules football and boxing.

Where the special event is a cultural or entertainment event, thought needs to be given to the suitability of the event to its intended target audience.

4.6.5 Corporate hospitality experience: hospitability

The Australian Oxford dictionary (1996, p. 394) describes hospitality as "the friendly and generous reception and entertainment of guests" but other sources have included "strangers" with guests (Macquarie 2009). The latter descriptor does not extend to CH and as stated by Derrida (in Reynolds 2006) in its most accurate form the extension of hospitality requires the host to retain some form of control. Put simply, the ownership over the property offered gives a certain power that resides with the host. The property that is controlled by the host is reflected in the rights that exist over access to the facilities at a special event. The hospitality offered to guests includes intangibles such as the opportunity for access to the exclusivity of the occasion. The physical attributes of the offering include the tangible elements such as the quality and range of food and beverage, the sightlines to view the special event as well as any mementos such as photographs or gifts that are taken away post event which also relate to the hospitality extended.

Clearly, this hospitality is not unconditional. The host organisation has invested in the event for business or commercial purposes, therefore, it has specifically targeted certain stakeholders. The guest list, invariably determined from a list of stakeholders whose attendance is more likely than not to advance business aims, has been established via a 'pecking order'. As such, invitations that are declined by guests may not be immediately transferable without reference to the host. To discuss the level and limit of the hospitality conferred, it would be constructive to further explain and define this. In seeking to provide a practical definition it is suggested that it could be explained through an amalgam of the existing words of hospitality and hospitable creating "hospitability". To be deemed hospitable, a host needs to be open and welcoming, treating guests or strangers warmly and generously. Hospitability therefore, represents these terms in within the context of a CH environment.

Hospitability is often intangible; it is a reflection of the sincerity, care, attention and hospitality offered by hosts to guests. Hospitability is driven through the warmth of a welcome, the attention to needs and the genuine concern for the welfare of all guests. There is conjecture between academics who state that CH hosts within a commercial setting cannot be seen as being able to offer genuine hospitableness. This stems from the fact that there may in fact be ulterior motives “such as winning favour with others” or the “commercial contexts of winning greater exchange value” as discussed by Lashley (2000, p.11). Further, Telfer (1996, p. 90) contends that true hospitability comes from the ethical or moral virtue where guests “pleasure and welfare in its own sake” are the predominant guiding features rather than any form of expected reciprocation.

4.6.6 Corporate hospitality experience: history of interpersonal commercial relationship with host organisation

In B2B markets the relationships established between individuals and firms have been described as Interpersonal Commercial Relationships (ICR) (Iacobucci & Ostram 1996). The use of CH as a strategic marketing tool in influencing ICR is fundamental to this research. There are a range of variables within the relationship between a guest and host organisation that may affect the CH experience. These include the relative strength of the bond between the two entities. This could be examined in terms of the familiarity between the host organisation and guest or the length of time that the relationship has existed. The nature of the relationship in terms of value to each party and the level of co-operation, also signal the importance of the relationship. If prior to the invitation to attend CH there has been any service, product or support issue between the parties, this could be carried to the CH experience through what is termed cognitive dissonance. Festinger (1957) explains cognitive dissonance where an individual may experience two or more dissonant cognitions (or conflicting thoughts). This could be demonstrated whereby a guest on the one hand is disappointed with a recent (or past) service encounter with the firm, on the other hand, however, they are grateful and expectant of the opportunity to attend a special event and the hospitality that accompanies it. To truly gain a perspective of those factors or variables that influence a CH experience it is important to understand that in some cases, guests will arrive with their own memories of unhappy events from the relationship or “emotional baggage”. It is a test of the strength and resilience of the ICR how each party adapts to these issues and whether the social setting of CH provides an opportunity for resolution or magnification of past events.

4.6.7 Corporate hospitality experience: preconceptions of and previous experiences of corporate hospitality

Within the business community it appears that there are several different views regarding CH. There are those executives who see it as a perfectly legitimate means for sales and marketing management. As stated by Nicholson in Washington (2008 p.4), “the objective is to talk about our product and anchor our brand in front of people”. On the contrary, some see it as nothing more than a bribe. Ramsay (1990 p. 22) states that the ethical considerations “of bribery and corruption only creep into the picture when the principal benefactor of any particular offering stops being the recipient’s employer and becomes the individual recipient”. He is emphatic about the intention of CH being to “influence the recipients’ behaviour favourably towards the donors” (p. 21). This is elaborated further by Kerr Neilson a Managing Director who has instructed all executives within his firm to reject CH invitations; “The position we had was that if we were any good people should (buy) us” (Neilson in Washington 2008, p. 4). With such a disparity of views regarding the practice, it is evident from the literature that most executives who have been interviewed in research to date do hold an opinion about the practice (Bennett 2003, Parker 2001, Baxter 2000). Those beliefs may influence their views not only on accepting or declining such invitations, but if attending, their conduct during and post CH events. These perceptions, attitudes, evaluation and the like are considered instances of beliefs (Rossiter 2002).

This preexisting cognitive perspective of invited guests that accept those invitations may well influence their CH experience. Further, the view widely held in advertising and marketing forums is that what counts are consumer perceptions, not in fact, reality. This should not only be seen in terms of a negative perception about CH through their acceptance of an invitation itself, but could also take the form of past experiences of the practice that did not live up to guest expectations. Conversely, if too high an expectation, based on previously enjoyed events is placed on a subsequent event, the opportunity for disappointment on a range of dimensions is magnified. This may include perceptions about the event itself, the facilities, hosts or hospitality offered.

4.7 Towards customer loyalty

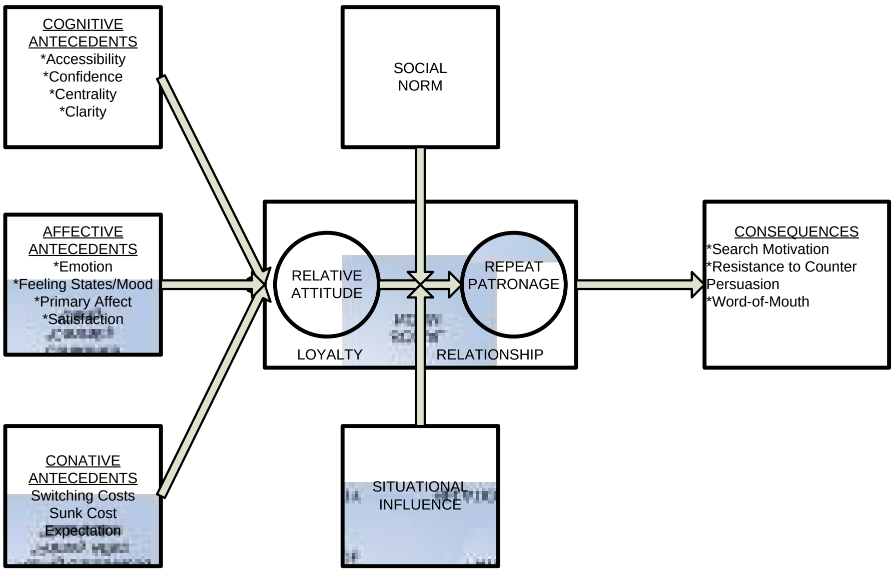
Customer loyalty to an organisation is inexorably linked to the health and strength of the commercial interpersonal relationship (Iacobucci & Ostram 1996). The importance of relationships as the cornerstone of business success especially in industrial markets was identified in Chapter 3. Dick & Basu (1994) put it most succinctly explaining that “customer loyalty is viewed as the strength of the relationship between an individual's relative attitude and repeat patronage. The relationship is seen as mediated by social norms and situational factors. Cognitive, affective, and conative antecedents of relative attitude are identified as contributing to loyalty, along with motivational, perceptual, and behavioural consequences” (p.99). Dick and Basu’s model “A Framework for Customer Loyalty” (1994) is presented in Figure 4.5 and reflects the role that a CH experience plays on Cognitive and Affective antecedents in their role within a loyal relationship. This is specifically so in developing improved attitude to the host reflected in repeat patronage, the generation of positive word of mouth (WoM) and resistance to counter persuasion.

There are two key academic outlooks associated with the concept of loyalty. These are described as either cognitive or behaviourist explanations, many academic discussions refer to loyalty in terms of attitudinal loyalty and behavioural loyalty. A behiorist would argue that CH works in terms of the role of reinforcement of brand values, ensuring the frequency of relationship exchanges, creating satisfaction with the host organisation by the invited guest and underscoring the commitment of both parties to an on-going relationship (Ehrenberg 1999, Foxall 2005).

From a cognitive or deterministic perspective, the role of CH would be to raise awareness and desire of the host organisation for new or lapsed clients, media or similar stakeholders and to reinforce attitudes and commitment from those already associated with the host. Assael (1995) argues that the operant conditioning process of awareness, trial and reinforcement (ATR) can best explain the process of brand loyalty. Through a host organisation’s focus on engaging the customer with the right products and services as well as building and nurturing the relationship, sustainability, it is argued, will be assured. In short, a cognitive perspective seeks to increase preference for a brand working on changing attitude whereas the behavioural definition would seek the willingness or action to buy or repurchase.

Peppers and Rogers (2004, p. 57) contend that “loyalty is not the *cause*, but the *result* of brand preference”. As much as changing perceptions and willingness to buy through improving attitude will signal loyalty, the simple fact is that commerce in general is determined by the ‘bottom line’. One of the key elements sought by those engaged in CH in pursing customer loyalty is signified by repeat purchases. Further, Peppers & Rogers (2004) state that loyalty symbolised by advocacy for certain brands must be linked to actual economic outcomes if it is to have any intrinsic value for an organisation. As has been stated by Stone & Desmond (2007, p. 92), “People repurchase goods on the basis of the continuous satisfaction or rewards that they receive from purchasing them”. It is with the extension of that contention that the role of CH must be examined in light of its potential to reward buyers.

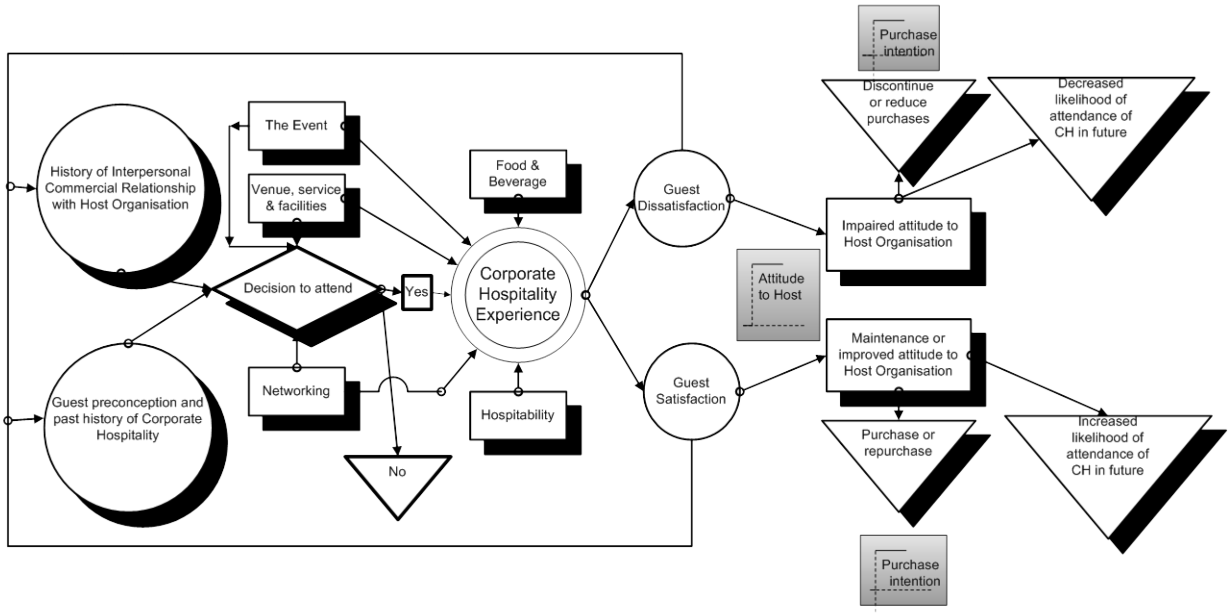
Figure 4.5 A framework for customer loyalty (Dick & Basu 1994 p. 100)



4.8 Corporate hospitality decision mapping

To progress the concept of the CH Experience discussed in previous sections of this chapter, it can be mapped displayed in Figure 4.6. Not all invitations are accepted and the conscious decision to attend or not is based on a range of variables. Should a guest be available to attend but choose to decline the invitation, a cognitive decision will be made based on weighing up the range of variables outlined in Figure 4.2 and discussed previously that are embedded into the decision map in Figure 4.6.

Figure 4.6 Corporate hospitality decision mapping



These variables that affect the decision range from the relationship history that exists with the host, the perceived quality of the event or the attraction to a specific venue, through to the composition of the guest list and therefore the opportunity for networking. Once a decision has been made to attend the event then a further cognitive analysis based on the consumption of the experience is made. If the guest has been dissatisfied with the event experience then the immediate impact will be on the attitude to the host reflected in the interpersonal commercial relationship (ICR). The change in attitude could then result in reduction of commerce between the parties identified in the model by Purchase intention referred to in Figure 4.6 and a reduction in purchases. The resultant outcome could be demonstrated by the discontinuation or reduction of purchases of a host's goods and services and the active selection of a competitor. Further, the dissatisfaction with the CH experience may influence guest perceptions of CH more generally. The result would be a decreased likelihood of attending like events in the future.

Conversely, a positive guest experience provides enjoyment and satisfaction and would indicate that the time invested through attendance was well spent. This is then likely to be reflected in a positive attitude to the host, their products and services and therefore an increased propensity to purchase or repurchase those products or services again, situated within figure 4.6. The flow on effect is a strengthening of the ICR between the host and guest and that can be recognised through improved loyalty to the host and their products and services. From a host organisation perspective this signals improved brand equity and from a guest perspective there is an increased likelihood of attendance of such events in the future.

4.9. Summary

This chapter has introduced the conceptual framework for the thesis. It has introduced the model and it has discussed it within the context of consumer behavior and customer loyalty. Further, it has examined the decision making process to attend a CH event and broken the model down into composite parts. The chapter has examined the role of actors involved in the practice, the various dimensions that comprise the CH experience and the hierarchy of effects that are triggered during and post consumption of the experience. In conclusion, it tracks the CH decision making process of guests attending CH at events and ties that back to the stated research objectives of testing attitude toward the host and purchase behaviour.

CHAPTER 5: METHODOLOGY

"The aim, as far as I can see, is the same in all sciences. Put simply and cursorily, the aim is to make known something previously unknown to human beings. It is to advance human knowledge, to make it more certain or better fitting… The aim… is discovery." (Elias 1986, p.20)

5. Introduction

The purpose of this chapter is to explain the decisions taken in the adoption of the methodology selected for this research and to discuss how the research methods were implemented. In greater detail, it discusses the theoretical paradigms that provide the foundation of academic research and elaborates on the approach and justification adopted for this study.

This research investigates the extent to which CH influences buyer intention and brand loyalty in business to business (B2B) markets within Australia. It seeks to develop a conceptual understanding of the influence of CH on the interpersonal commercial relationships (ICRS) (Iacobucci & Hibbard 1999) evident in business to business commerce and test this against a conceptual framework. As stated previously in this thesis, with the limited amount of research available and a stated gap in knowledge, CH was deemed an appropriate area to be examined in greater depth. The absence of academic scrutiny and relative scarcity of discussion of CH in the events and marketing literature provided an opportunity to develop a conceptual model to help explain the operation of CH.

This research is bounded by the fields of tourism, hospitality and marketing. It could be argued that academic research in many facets of these social sciences is still relatively new, compared with other sciences. There has been significant debate as to whether it is of greater benefit for tourism and hospitality research to be conducted as multidisciplinary or interdisciplinary studies. Leiper (1989) argued that there needs to be a central ground and that an interdisciplinary approach would provide consistency upon which tourism could emerge to be considered as a distinct discipline. This research has been informed through the examination of CH as it related to marketing, tourism and hospitality fields of study. This reinforces the approach adopted by Weaver and Oppermann (2000 p. 7) who state that the fusion of a number of perspectives from various disciplines allows for tourism to develop as a "systematic, rigorous academic field with its own theories and methodologies".

This study sought to develop an understanding and conceptual model that can guide an explanatory analysis of the practice of CH. Further, it is hoped that the findings would identify the tools and approaches those actors employing CH in successful marketing strategies implement and help to reveal best practice in the field. These findings will hopefully add to the scarce literature as well as offer value for practitioners in their use of CH.

This chapter comprises three key sections. The first section outlines the research themes under examination and the hypotheses developed to answer the principal areas of enquiry. The subsequent section discusses the theoretical framework and methodology selected for this study. The last section outlines the format and structure of the two phases of research along with the rationale for their application.

Such a sequential approach is necessary and elaborated upon by Qureshi (1992 p. 103) who states that, "within the philosophy of science the myth of an objective scientist collecting 'facts' without a prior theoretical framework or frame of reference is widely rejected". This view is supported by Strauss (1987 p.14) contending that "effective social research must follow the example of physical science research in its intertwining of the formulation of provisional hypothesis, making deductions and checking them out". To inform the study and assist in building a conceptual framework, the definition and description of what represents a CH experience was required. Therefore, the research strategy employed sought firstly to explain the phenomena through deconstructing the 'experience' and then applying that knowledge to understand more fully how the constituent elements may contribute to CH in practice. In deconstructing the CH experience it enabled the researcher to understand more fully how the interpersonal commercial relationships may be influenced through the practice.

To achieve those objectives, a series of research questions and hypotheses was devised that allowed a systematic process to be followed that guided the research. This is elaborated upon in the following section. In conclusion, the chapter presents a discussion of ethical considerations relevant to the research as well as limitations of the research design and methods.

5.1 Research questions and hypothesis

The following section discusses the principal themes of investigation and the formulation of hypotheses that are tested in the research.

5.1.1 Defining the corporate hospitality experience

The previous chapter reviewed literature relating to relationship marketing and the integration of marketing communications, as well as literature relating to major events. This created an entrée to understanding the practice where relationship marketing objectives were integrated through investment in events. In the literature it was apparent that there were contrasting opinions on what constituted a CH event and more precisely a CH experience. Furthermore, it was discovered that there may be several actors with different roles within one CH experience. To develop a conceptual model, it was important to identify key actors and ensure that the research captured data related to their involvement.

Seemingly, the first step was to test a range of elements that may contribute to a CH experience. Once informants to the research could verify the role of the dimensions then adoption or rejection of them could be made in the conceptual model shown as Figure 4.2 in the previous chapter. The deconstruction of the experience was essential to help guide an understanding of which elements played a role in shaping guest attitudes and behaviour at a special event.

Therefore, the research question to best answer the definitional nature of a CH experience is as follows:

Research Question 1.

Do a number of different elements influence a guest's experience of corporate hospitality?

Hypothesis	Element
H1.	A number of elements influence a guest's experience of CH
H1 (a)	The event itself positively influences the guest experience of CH
H1 (b)	The opportunity for networking positively influences the guest experience of CH
H1 (c)	The venue, service and facilities positively influence the guest experience of CH
H1 (d)	The food and beverage served positively influence the guest experience of CH
H1 (e)	The hospitability of the host positively influences the guest experience of CH
H1 (f)	Past experiences of CH positively influence the guest experience of CH
H1 (g)	The pre-existing relationship to the hosting organisation positively influence the guest experience of CH

The elements tested in the aforementioned hypotheses are supported by several streams of research in the literature. Both academic and practitioner examination of consumer preferences relate to identifying various factors that contribute to a CH experience (Irwin 2002, Parker 2001). In terms of factors for attendance at a specific major event offering (H1a), de Guzman, Leones, Tapia, Wong & de Castro (2002) and Crompton & McKay (1997) discuss the decision process and the role of motivation to attend such events.

It is the contention of the researcher that in many ways the CH experience can be recast as an example of a service encounter with the host organisation. The interaction with personnel, physical facilities and other tangible elements such as product displays are examples whereby the CH environment (Lockwood 1994) provides an alternate 'shop front' for an organisation. This is subject to test in H1 b, c and e. An individual's preference for food and beverage, a factor under consideration in

contributing to the CH experience (H1 d) has been subject to considerable academic attention (O'Mahony & Hall 2007, Lashley
2000, Menell 1985). The interaction with the host organisation's staff in a service setting can be used in terms of the evaluation of the firm (Sparks & Callan 1996). Similarly, the concept of business networking and socialisation aspects has been discussed in the literature by Benschop (2009), Conry-Murray (2009), Sorensen (2008), Linehan (2001), Blankenburg Holm, Eriksson and Johanson (1999). Most often networking in the academic literature has focussed on the internal social networks within firms but increasingly the importance of interorganisational networking has become more prevalent.

On the basis that identification of factors that influence a CH experience could be determined through the study, it was considered that they be grouped within a system of classification based on actors within a model and used as the basis for further research. Specifically, the perceptions and attitudes of guests attending will inform the Hypothesis H1 (a-g).

5.1.2 Effect of corporate hospitality on consumer behaviour

Investigation of the existing CH literature has shown that very little is known about how a CH experience works in changing behaviour and more knowledge is needed (Bennett 2003). Existing knowledge from the disciplines of marketing specifically in the form of consumer behaviour provide the foundation for the model that has been created for testing in this study. The conceptual model was reviewed at each stage of the research and any subsequent adjustments based on the analysis were incorporated into the proposed model. Principally, guests of CH who record high levels of satisfaction with commitment to the hosting organisation will consequently speak positively about the organisation and demonstrate loyalty to them according to Hennig-Thurau, Gwinner, Gremler (2002). CH offers what Henning Thurau et al. (2002) contend is a special treatment or social benefit with reference to their model. Both in the practitioner (Chetwynd 1998) and academic literature (Rauyuen & Miller 2006, Lijander and Roos 2002), purchase intentions are a measure of loyalty within B2B relationships. The research undertaken will seek to establish to what extent CH influences this measure of brand equity. Therefore, it is the following hypothesis that seeks to understand how the endowment of such a benefit to a CH guest acts in changing guest consumer behaviour in relation to the host organisation.

Research Question. (2)

Does corporate hospitality have a positive effect on elements of brand equity?

Hypothesis	Element
H2.	Corporate hospitality has a positive effect on elements of brand equity
H2 (a)	Corporate hospitality at special events increases the customer loyalty of guests to the host organisation
H2 (b)	Corporate hospitality at special events increases the intention to purchase by guests from the host organisation

5.1.3 Corporate hospitality, brand equity and guest demographic relationships

At the core of each business to business (B2B) relationship is what is referred to as the interpersonal commercial relationship (Iacobucci & Ostrom 1996). These relationships are critical if value exchange is to occur between the actors engaged in them. The third and fourth research questions examine whether there are differences within the cohort of guests attending special events that may influence the elements of brand equity that are at the nexus of this study.

Research Question. (3)

Do relationships exist between demographic elements of guests attending corporate hospitality at special events and their loyalty toward a host organisation?

Hypothesis	Demographic element
H3.	There are significant relationships between demographic variables and the loyalty toward a host organisation in the context of corporate hospitality attendance at special events
H3 (a)	There are significant relationships between age of an

	invited guest and the loyalty toward a host organisation
H3 (b)	There are significant relationships between the industry the invited guest is employed within and the loyalty toward a host organisation
H3 (c)	There are significant relationships between the purchasing responsibility of the invited guest and the loyalty toward a host organisation
H3 (d)	There are significant relationships between the level of purchasing signatory rights of the invited guest and the loyalty toward a host organisation
H3 (e)	There are significant relationships between the number of years the invited guest as held their role and their loyalty toward a host organisation
H3 (f)	There are significant relationships between the gender of the invited guest and their loyalty toward a host organisation

Research Question. (4)

Do relationships exist between demographic elements of guests attending corporate hospitality at special events and their intention to purchase from a host organisation?

Hypothesis	Demographic element
H4.	There are significant relationships between demographic variables and their purchase intention toward a host organisation in the context of corporate hospitality attendance at special events
H4 (a)	There are significant relationships between age of an invited guest and their purchase intention toward a host organisation
H4 (b)	There are significant relationships between the industry the invited guest is employed within and their purchase intention toward a host organisation
H4 (c)	There are significant relationships between the purchasing responsibility of the invited guest and their purchase intention toward a host organisation
H4 (d)	There are significant relationships between the level of purchasing signatory rights of their purchase intention toward a host organisation
H4 (e)	There are significant relationships between the number of years the invited guest as held their role and their purchase intention toward a host organisation
H4 (f)	There are significant relationships between the gender

	of the invited guest and their purchase intention toward a host organisation

5.2 Research paradigm – the evaluation of research approaches

The philosophical orientation that a scientific inquiry takes is often referred to as the paradigm. Guba & Lincoln (1994p. 105) describe a paradigm as “the basic belief system or worldview that guides the investigator”. When considering a research study it is important to consider the set of beliefs that guide the research. As the term paradigm can be confusing as “many definitions exist” (Creswell & Plano Clark 2007, p. 21) many researchers adopt the term ‘worldview’.

Critical issues associated with the paradigm or worldview selected by the researcher include the behaviour of the researcher and his/her objectivity, the process of data collection and the analytical approach taken to the data. It is important when embarking upon research that the researcher is aware that for each paradigm considered, a set of assumptions are made that will have an undeniable impact on the research. These key concepts or elements of the research relate the way knowledge is acquired, the way it will be interpreted through cognition and language and the role of the researcher embedded in that process. Key research concepts are listed in table 5.1 and briefly discussed.

Table 5.1 Research terminology and definitions

Concept	Definition	Reference
Ontology	Ontology deals with questions concerning what entities exist or can be said to exist, and how such entities can be grouped, related within a hierarchy, and subdivided according to similarities and differences. In the simplest terms " What is the nature of reality"	Creswell & Plano Clark (2007)
Epistemology	The beliefs about the nature of knowledge	Hofer & Pintrich (2002)
Methodology	The philosophical framework and the fundamental assumptions of the research	van Manen (1990)
Axiology	The nature of values and value judgements as opposed to ethics and aesthetics	Reece (1980)
Rhetoric	The use of language in its role to persuade in the case of academic research the role of scholarly writing	Lincoln & Guba (2000)
Hermeneutics	The contextual interpretation of how a communication originated and how that communication can be understood today.	Thomas (2003)

5.2.1 Review of post positivism and constructivism paradigms

Whether a researcher is aware of it or not, their choice of paradigm will have a presence in their research. There are many paradigms that exist in social research and those that are discussed in this research are postpositivism and constructivism. Creswell and Plano Clark (2003 p22.) state "post positivism is often associated with quantitative methodology". It is attractive to researchers for empirical observation and measurement as well as theory verification and enables claims for knowledge through:

- Determinism or cause and effect thinking
- Reductionism by narrowing and focussing on select variables to interrelate
- Detailed observations and measures of variables
- The testing of theories that are continually refined

(Slife & Williams 1995)

Constructivism is a different paradigm. Most commonly used in qualitative methodological approaches, it is geared towards a more ‘grassroots up’ understanding of a phenomenon. This is created when participants provide their subjective views and their understandings that are derived from meanings shaped by their own experiences and social interaction with others. From these individual perspectives come broad patterns and, ultimately, to the development of theory. (Creswell & Plano Clark 2007)

Considering these paradigms in greater detail, table 5.2 illustrates the differences and similarities between the two approaches. It is clear that both paradigms have strengths as well as weaknesses. It is evident through the literature that there has been considerable debate by academics for more than thirty years regarding the relative merits of qualitative and quantitative approaches. It is therefore incumbent upon the researcher to select the most appropriate approach that offers the best fit for the research objective.

In some circumstances, however, the use of a single paradigm may not be appropriate, given the requirements of a particular study. In these cases it has become increasingly common to blend paradigms into a mixed methods study (Creswell & Plano Clark 2007, Teddlie & Tashakkori 2003).

Table 5.2 *Similarities and differences in qualitative and quantitative approaches*

Variable	**Qualitative (Constructivism)**	**Quantitative (Postpositivism)**
Analysis Style	Thematic data examined throughout collection	Statistical analysis after data collection
Approach	Inductive – meaning through immersion	Deductive – test hypothesis
Cases	Few	Many in the form of distinct variables
Concepts	In the form of themes, issues and generalisations	In the form of distinct variables
Context	Bigger picture	Relatively smaller
Data	Words which are assigned meaning	Statistical symbology
Epistemological view	Subjective	Objective
Focus	On interactive processes and events	On variables
Interpretation	Issues and generalisations extracted to present a picture	Relative to hypothesis
Key Element	Authenticity	Reliability
Measure	Created *ad hoc* and often setting specific	Systematically created before data collection
Ontological view	Multiple realities	Casual relationships
Procedures	Are particular and replication is rare	Standard and replication assumed
Representation of data	Textual	Statistical tables and graphs
Research Approach	Inductive	Deductive
Researcher Integrity	Researcher is involved	Researcher is detached
Theory	Developed by considering evidence and concepts	Numbers manipulated to test hypothesis
Values	Present and explicit	Free

Similarities:

Comparison	drawn across variables to seek explanations
Error Limitation	techniques to minimise error
Inference	reaching conclusions by the consideration of empirical data
Public Process	data collection and examination explained

Source: Adapted from May 2001, Neuman 2000, Christy & Wood 1999, Punch 1998, Denzin & Lincoln 1994, Collins 1984

5.3 Research paradigm justification

Social research can be categorised in many different ways and in this study there are three principal approaches that apply. Firstly, exploratory research is considered to be appropriate as it is concerned with the discovery or finding out about a new phenomenon and "requires more than just the accumulation of information" (Veal 1997). It provides a 'bridgehead' seeking to inform, establishing possible concepts or categories that can be applied in future research. Often this type of research is informed by a qualitative methodology described in more detail in the following section.

The description of a social phenomenon, event or incidence hereafter referred to as descriptive research constitutes what Neuman (2000) terms a "picture" (p. 21). Neuman argues that exploratory research covers the 'what' and the role of descriptive research is a focus on the 'who' and 'how' (Neuman 2000). Jennings (2001) contends that when a researcher examines the 'how', it is often inexorably linked to a fuller description of 'why' (p. 17) and that, in turn, leads to the next category, explanatory research. Explanatory research is vital if an understanding beyond description is required. It seeks to explain particular patterns or trends observed (Veal 1997).

Rather than be viewed in isolation, both exploratory and descriptive research feed into explanatory research. Punch (1998) states that through a focus on causes and reasons the researcher is able to better identify the rationale for the occurrence of a phenomenon. The information that may have been identified in an explanatory study can yield insights that can be used for prediction which is a key aim of much applied research. This study follows an exploratory design (instrument development model) (Cresswell & Plano Clark 2007 p.76) underpinned by explanatory and descriptive research.

After consideration of the research problem and the formulation of hypotheses discussed earlier in this chapter, there existed a critical decision regarding which information gathering technique would best yield the data required to inform the study. In discussing the crux of the study, whether CH influences brand equity and specifically purchase intention it was found that data were required from principally two actors. These were the host organisations that invested in the practice and those individuals who through invitation were granted access to such events. The principals (senior executives) who collectively are architects of the design, implementation and execution of CH programs as part of a broader marketing remit needed to be part of the information gathering process. Such was their importance that it was considered that they should be the first informants the study sought. This was necessary as it was essential to understand the objectives, outcomes and issues surrounding their involvement with CH before an assessment of success could occur. The other main actor was the recipient of invitations to attend CH at special events. These invited guests were part of an interpersonal commercial relationship (ICR) with the host organisation. It was proposed that in most cases they were likely to be important customers. As a result they were the critical group required to test the salience of CH on their attitude and behaviour toward the host organisation which is the core of this research.

A range of approaches were considered to deliver the data required. These included a quantitative approach where a range of data could be gathered through closed-ended questions or checklists conducted via a survey. This approach could be appropriate for the statistical analysis of both sets of actors. The inherent risk with a quantitative approach directed toward both actors in the study area was that if only one instrument was used for both, it may not yield the depth of understanding required. The alternative was to use two separate surveys that may then be connected through interpretation and analysis. The researcher believed that the weakness exposed through a purely quantitative approach was that it did not give adequate opportunity to uncover the range of attitudes between principals nor did it allow the exploration of issues associated with CH that fell outside the design of the survey.
As Laing (1998 p.145) states

"The range of what we think and do is limited by what we fail to notice. And because we fail to notice that we fail to notice, there is little we can do to change until we notice how failing to notice shapes our thoughts and deeds."

Conversely, it was apparent that a qualitative approach alone may:

a) Not yield the breadth of data required to examine the study area sufficiently. Although the qualitative study could enrich the understanding of the phenomena, it alone would not provide significant data to allow the testing of hypotheses and the proposed model.

b) As there were two main actors considered in the research, the host organisation principals and their guests, one type of evidence was likely to differ from one stakeholder to the next. As a result, it became clear that selecting one method at the exclusion of another would not yield the range of data required.

c) For statistical analysis, with the distinct lack of published academic studies in the area of CH (Bennett 2003), those available were quantitative in nature. It was considered that having quantitative data could aid comparison with previous research or for the basis of empirical research for future studies.

For this study where both a range of actors are evident in the study area and more than one form of data collection was considered necessary, it was seen as advantageous to use more than one approach to deal with the research problem. Section 5.4 discusses the rationale for the adoption and justifies why a mixed methods approach was seen as a 'best fit' in this study.

5.4 The application of mixed methods in applied research

The approach to research applying mixed methods has generated significant debate by many in the research community. Indeed, it has not always been defined as such with earlier references referring to it as "multitrait / multimethod research" (Campbell & Fiske 1959). Essentially, it has been described variously as combined research by Creswell (1994) or quantitative and qualitative methods by Fielding and Fielding (1986). It is perhaps best described as a single investigation that employs several methods that essentially combine and integrate data collected (Creswell & Plano

Clark 2007, Steckler, McLeroy, Goodman, Bird & McCormick 1992). Rather than confine it to a research approach, the seminal work in this area by Tashakkori & Teddlie (1998, 2003) posit that mixed methods research is both a research methodology and a worldview.

Creswell & Plano Clark (2007 p.5) define mixed methods research as:

> "***Mixed methods research*** is a research design with philosophical assumptions as well as methods of inquiry. As a methodology, it involves philosophical assumptions that guide the direction of the collection and analysis of data and the mixture of qualitative and quantitative approaches in many phases in the research process. As a method, it focuses on collecting, analysing, and mixing both quantitative and qualitative data in a single study or series of studies. Its central premise is that the use of quantitative and qualitative approaches combination provides a better understanding of research problems than either approach alone".

Cain and Finch (1981) state that there is no one truth; life is merely multi faceted. Trow (1970, p. 149, in Patton 1990, p. 196) contends that a researcher should "get on with the business of attacking our problems with the widest array of conceptual and methodological tools we possess and they demand. This does not preclude discussion and debate regarding the relative usefulness of different methods for the study of specific problems or types of problems". The decision to apply mixed methods in this study is not to advance one particular paradigm over another rather that it provides the best means of achieving the objectives of this research. Rather than debate the benefits of one approach over another, Greene and Caracelli (1997) suggested that researchers needed to move beyond arguments related to one approach or another. That stated, Bryman (1992 p. 69), contends that with the increasing interest in a mixed methods approach, such investigations may well "be seen as the yardstick for good research". On the other hand, there is nothing to be gained by considering the blending of methods as superior to other approaches if the research problem itself finds it unwarranted. The argument over the relative merit of applying either a qualitative or quantitative research methodology in isolation has occupied more pages in the academic literature than may be warranted. To enter the debate simply wedded to one view or the other could be seen as restrictive and often counter productive for a researcher's quest for the truth. The commonly held view is that each approach has distinct advantages and characteristics that when combined, as in this study provides an attractive amalgam. It is perhaps the next wave of researchers, adopting mixed methods with a goal of achieving better research outcomes that will silence the furore over the virtues and benefits of either applying qualitative or quantitative approaches in isolation. When the research problem is put at the centre, the best fit from relative approaches can then be applied to provide the optimum outcome.

In this study, a mixed methods approach is used whereby qualitative work is a facilitator and underpinning for the quantitative work. The contribution of the qualitative stage of this research is designed to identify and categorise key themes, uncover specific issues and contextualise CH within a broader marketing communications framework.

The study benefits from the holistic way that mixed methods can inform the area that can best be described as:

"…the qualitative researcher is said to look through a wide lens, searching for patterns of inter-relationships between a previously unspecified set of concepts, while the quantitative researcher looks through a narrow lens at a specified set of variables (Brannen 1992 p. 4)."

There is no doubt that this research could have been designed to follow either approach and establish more knowledge regarding CH. To follow a qualitative approach solely would have yielded valuable data regarding the discipline as the incorporation of open-ended questions sought to gain broader understanding. Clearly the aim of the study was to make a significant contribution to knowledge and therefore a wider remit for the data was required. To distil how a mixed methods design could be applied to the research problem, the strategy was to use qualitative data collected from host organisation principals to inform and enrich the instrument used in data collection of guest attitudes. Through this approach a greater depth of understanding of the discipline could be achieved as well as offering an opportunity to test theory and the proposed conceptual model.

It should be noted that a mixed methods design for research has not been universally accepted and there exist many academics who have been critical of the blending of qualitative and quantitative methods. This has been largely as a result of the underlying incompatibility of ‘mixing’ paradigms that drive the epistemological and ontological assumptions that underpin such studies (Cresswell & Plano Clark p. 15). Greene and Caracelli (1997) contend that if a researcher is open and explicit and honours each method appropriately there should not be reason for concern. Tashakkori and Teddlie (2003) state that the opportunity for triangulation of the data in a mixed methods design outweighs the disadvantages advanced by detractors. This is acknowledged by the researcher and triangulation as it is applied in this study is discussed in greater detail in 5.7.

5.5 Triangulation

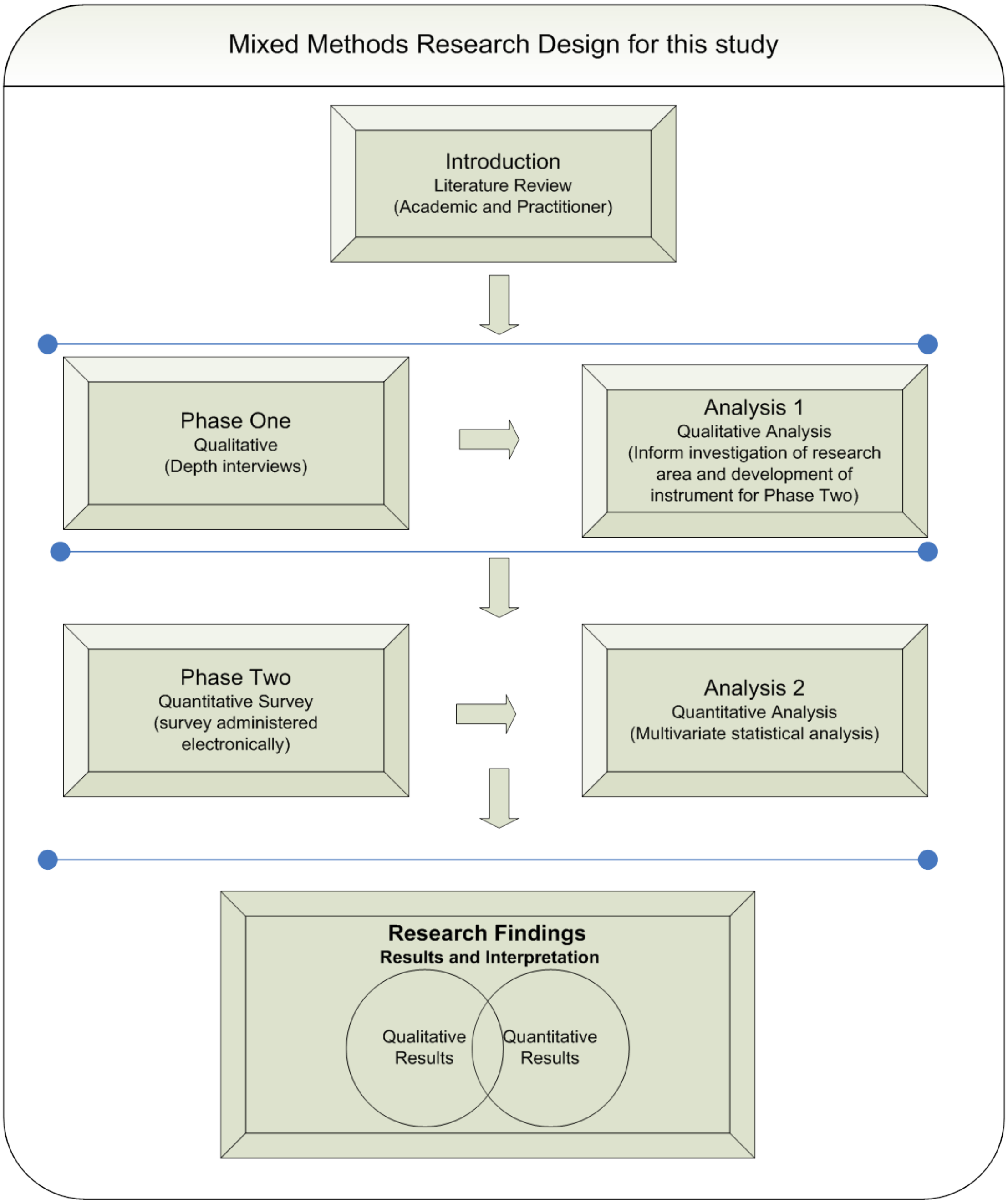
Triangulation has been given several different meanings in research processes. There have been at least five meanings referring to triangulation (Janesick 1994, Denzin 1978). These include data triangulation, investigator triangulation, theory triangulation, methodological triangulation and interdisciplinary triangulation. In this study, which draws upon several sources of data to inform the research problem adding rigor and depth to the study, a triangulation of the data was adopted.

Triangulation refers to using a number of different research methods in a study in the belief that the variety will aid and increase the validity of findings (Greene, Caracelli & Graham 1989). The integration of methods assumes that triangulation offers the opportunity to increase the ‘internal validity’ of the data (Brannen 1992). This is not the case as Denzin and Lincoln (1994 p. 2) contend that it is not “a tool or strategy of validation, but an alternative to validation”. Therefore, triangulation is not employed to correct any bias or improve validity (Blaikie 2000) but the use of triangulation, however, assists the researcher because “no single method ever adequately solves the problem of rival causal factors…Because each method reveals different aspects of empirical reality, multiple methods of observation must be employed" (Denzin 1978, p. 28).

5.6 Research design and method

The intent of this study is to address the role that CH plays on issues of brand equity, namely, customer loyalty and purchase intention in business to business (B2B) relationships. The purpose of the research therefore was to explore participant views from host organisations and their invited guests with the intent to test a conceptual model. This section of the thesis discusses the design of the mixed methods study and the practical application of it.

Figure 5.1 *Illustration of mixed methods research design for the present study (Adapted from Myers & Oetzel, 2003)*



There is a sequential pattern to the data collection illustrated in Figure 5.1 that allows for refining the research problem and building understanding of the practice. The first phase using semi structured interviews allows for concepts to be drawn from different theoretical perspectives. The introduction to the research related to a thorough investigation of the academic and practitioner literature that surrounded the fields of study that were central to the investigation. Phase one is described as the qualitative stage whereby depth interviews conducted both in person and via telephone between January and March 2009 were used to inform the study. The outcomes of the qualitative phase are presented in Chapter 6 of this thesis.

The results derived from the first phase assisted the researcher "by developing an instrument, identifying variables, or stating propositions for testing based on an emergent theory or framework" (Creswell & Plano Clark 2007, p 77.) Creswell (2003) describes this design as an Exploratory Sequential Design study where the emphasis is on the second phase quantitative findings. There are two main variants to the exploratory sequential design; the instrument development model or the taxonomy development model. The one selected for this study was the instrument development model. Gaining prior insight from the host organisations guided the development of items and scales for the second data collection phase.

The second phase of the research was the quantitative survey that was administered electronically via the internet. The issues investigated in this second phase arose from the key research objectives stated in section 5.2 as well as themes deemed important that were uncovered in the first phase of the study. The following section describes in greater detail the procedure and manner in which each phase was performed.

5.7 First phase

The first phase of the study was a qualitative exploration of attitudes and behaviour from executives who employed CH in marketing programs at special events within Australia. The remit for qualitative research is often to gather large amounts of information from relatively small numbers of people (Veal 1997). As stated by Creswell and Plano Clark (2007), the first qualitative phase seeks to "identify variables, constructs, taxonomies or instruments for quantitative studies" and this is sought as an objective in this study.

This section explains in detail a range of important elements associated with this phase outlined in the following list:

- **Method of data collection**
- **Instrument design**
- **Implementation of data collection**
- **Pilot testing the interview guide**
- **Sampling procedure**
- **Data collection and recording**
- **Data analysis – qualitative phase**
- **Categorisation of respondents by industry**

5.7.1 Method of data collection

It was ascertained that initiating the research through in depth interviews was deemed most appropriate as it sought to explore the topic in a preliminary stage for the purpose of the planned larger quantitative study. In-depth interviews were chosen for the preliminary stage of the study because:

(i) The subjects of the research may be relatively few in number so a questionnaire style of research would be inappropriate.

(ii) The information likely to be obtained from each subject is expected to vary considerably, and in complex ways. An example would be that different actors within the CH industry each have varying involvement and approaches to the practice. A questionnaire could not deal with the complexity that this presents.

(iii) The topic considered is at a preliminary stage of the study and the concepts and themes uncovered will lead to a larger quantitative study, such as the development of a questionnaire-based survey.
(Veal 1997 p.133)

An interview is simply a discussion between two or more people to elicit information. As part of research it "is at its most useful when it gives us insight into how individuals or groups think about their world, how they construct the ‘reality’ of that world” (Clark, Riley, Wilkie and Wood 1998, p.132). As a form of data collection, the interview process has, through qualitative methods, become widely known and accepted (Wolcott 1990). Rather than an open discourse in the case of a simple conversation, interviews used as a tool for data collection are more likely pseudo-conversations (Oakley 1981). They follow a set of conventions requiring a relationship of mutual trust and there is inherent in the role of interviewer an obligation to be removed from the subject rather than be caught up in a topic of discussion where the potential to ‘lead’ the interviewee may occur. Although the interviews were conducted in a conversational style, the interview guide allowed the researcher to maintain focus. Further questions were asked, where and when needed to elicit information on a particular topic or to rephrase an original question from the guide that had not been fully answered in the researcher’s opinion.

This phase of the research was conducted using a checklist of topics to be covered. Data were collected through in-depth semi structured interviews using a recursive model. The interviews were conducted using an interview guide developed specifically for the purpose. This provided a prompt to engage responses regarding a range of issues pertinent to the study. In the recursive model, questions are used to open a dialogue and aid conversation with the researcher guiding the topics discussed. This approach allows further investigation where previous comments from the informant can guide the direction of the questions that follow. It is the role of the researcher to ensure that the interview stays relatively on track. Ensuring that the attention remains on the key areas of focus for the study, the use of transitions allowed the researcher to pick up on something the informant said and relate it back to the topic of interest (Minichiello et al. 1990). In addition, each respondent was expected to have a different story to tell and the relatively small number interviewed in the study made the task manageable (Veal 1997). It was considered that this approach would uncover a broader range of issues and inform the exploratory and investigative nature of this part of the research process specifically from a host organisation perspective. The questions were developed with reference to the literature as well as addressing gaps considered essential in providing the data considered important in relation to the study.

Thomas (2003, p. 63) contends that interviews most commonly "involve a researcher orally asking questions for individuals to answer orally". All participants gave the interviewer permission to record the sessions that were transcribed for use in analysis of responses.

5.7.2 Instrument design

As discussed previously, an interview guide was used in this stage that comprised 50 questions that were divided into five groups. As indicated earlier, the headings for the different sections were CH and Corporate Strategy, Measurement, Stakeholder Benefits, Strategic Marketing and CH Issues. Interviews were conducted using a range of questioning approaches. 'Loose' or broad questions allowed the opportunity to gain individual interpretation of key themes. This allowed for understanding more fully feelings and attitudes toward the subject areas and involved questions such as:

"What does (the practice of) corporate hospitality mean to you?"

This line of questioning requires the respondent to engage in a conversation that may uncover their underlying opinions about something that they are regularly involved in but rarely reflect upon. Similarly, questions such as *How have you handled those issues arising from Corporate Hospitality?"* requires a conscious response that elicits the type of data required in the research. A 'tight' questioning approach was used to discover the interviewee's preferences when given a range of options. When establishing where a respondent invested their CH budget, it was important to gain an understanding of which major events were favoured. In certain circumstances a follow up question was asked to understand more deeply why one event was favoured over another.

Within the interview, 'response guided' questions were used to follow certain pathways, for example

"Does this expenditure compete against other forms of marketing? When answered in the affirmative, this question was followed with ***"Which areas and how did you trade one (alternative) for the other?"***

A range of questioning approaches was used as a way of providing deeper meaning. Seeking meaning is an imperative part of the interpretative procedure and meaning can take several forms. This was evident for issues of function insofar as an understanding of exactly the range of CH activities that were undertaken by each host organisation. Further, a contextual meaning was sought to understand how CH programs were incorporated within a broader marketing framework and the strategic aims of each organisation. Lastly, the way in which the host organisation interacted with their guests including when and who is invited gives a sense of the processes involved in the operationalisation of the event. All such examples were established through a range of questioning techniques.

The interview guide was divided into four sections and a copy is provided in Appendix A. The first section was used to explore the informant's views on CH and company strategy. Bennett (2003) had already clustered firms engaged into CH into four distinct classifications: Warriors, Pragmatists, Reactors or Strategic Hopefuls. The intention of this section was to analyse the information provided by informants and to categorise them into groups, not necessarily mirroring Bennett's coding.

The second section investigated the nature of the interpersonal commercial relationships (ICRS) between the firm and invited guests to CH. It sought to discover the underlying importance to the individual and the firm of the relationships established. This section was designed to identify the characteristics sought in B2B relationships and the informant's perceptions to loyalty and reward.

The third section sought to uncover host perceptions of what dimensions contributed to a CH experience. The data collected would be assessed in verifying the conceptual model proposed.

The final section of the interview guide was designed to assess why CH was used in preference to other marketing communications tools, what types of assessment were made in terms of ROI and the different ways in which each informant operated their programs.

In conclusion, the themes uncovered were able to be incorporated in the instrument for the second stage of the study. In the second phase, the quantitative research sought to study more deeply these results and themes (Mak & Marshall 2004).

5.7.3 Implementation of data collection

Following the granting of ethics approval by the Victoria University Post Graduate Research Committee in November 2008, the recruitment phase for participants began. Through the recruitment of candidates who met selection criteria, a list of prospective respondents was made. Each prospect was given a research overview that is discussed in more detail in this chapter and upon obtaining consent to be involved, interview appointments were made. The interviews were conducted in an eight week time frame between January and March 2009. Subsequently, key information from the recorded interviews was transcribed by the researcher during this period through to mid April 2009.

5.7.4 Pilot testing the interview guide

The pilot test of the interview guide was conducted as a 'trial run' (Veal 1997, p 10) to ensure the adequacy of the instrument. To establish whether the interview guide could yield the data that were sought for the research, a pilot study of two interviews was conducted. The interview guide was tested with two respondents to ensure it would provide the level of detail and width in the scope of information required and whether it could be completed inside the estimated 30 minutes that was scheduled. The respondents; one male from South Australia and one female executive from Victoria had fulfilled the recruitment criteria and signed the appropriate agreements for consent. It was found that the time taken for these interviews was between twenty and twenty five minutes which was comfortably inside the proposed guideline.

The interviews yielded a wide range of data needed for the study and the interview guide was deemed a useful tool in guiding the process. Only minor amendments to the guide were made for incorporation into future interviews. These changes were made to better understand the opinions and beliefs of respondents regarding significant elements or factors that influence a CH experience. From the initial planning stages of the research and the implementation of interviews, the global financial crisis (GFC) had impacted world economies and presented new challenges for many businesses. The interview guide was adapted to discuss future CH investment plans based on an expected global economic slowdown.

Once the two interviews in the pilot were recorded and transcribed for analysis, they were thereafter discarded. The decision not to incorporate these interviews into the final study was based on improving the reliability and validity of the research. The data obtained from piloting the instrument played a role in improving the wording and sequencing of sections that aided the design and conduct of the first phase of data collection.

5.7.5 Sampling procedure

The participants identified for the study were purposively selected based on their role, responsibilities and relevance to the research area. Purposive sampling is a non probability sampling method and suits a situation where the researcher can identify those individuals or groups that may yield the specific information required for the study. The sample was drawn from Australian executives who held managerial responsibility for their organisational CH programs. The strategy of purposive sampling was used as it was important to ensure that the group of respondents were drawn from a population of executives who had contemporary experience with CH programs. The sample of executives held senior positions in their organisations although roles varied and included chief executives, principals, general managers, senior commercial managers and national sales managers. The respondents were drawn from a wide cross section of business and industries with most categories represented. All those interviewed shared a similar characteristic insofar that marketing within their organisations was heavily weighted toward business to business (B2B) sales and all were active in conducting CH at a range of events.

Geographically, the executives in the sample were located in Australia and were drawn from a convenience sample from the states of Victoria, New South Wales and South Australia. Individuals were recruited through referral and memberships of associations and were screened to ensure that they met the criteria required insofar as they held managerial responsibility for CH programs within their respective organisations. Participation in the research was voluntary. A discussion of the project, the requirement for involvement of the participant and any likely impact upon them was explained to all. Acceptance by the respondent to take part in the study was in most cases made initially through verbal discussion. However, all potential participants were given a printed participant information pack including a study overview and consent form. Once a signed informed consent form was received, the participant was interviewed.

With the exception of two respondents, all executives had been in their present roles for 5 years or more. The sample included 2 female and 13 male respondents including the two participants who were involved in the pilot study. The relatively low representation of women in the sample mirrors that of the business community where just 10.7% of positions in executive managerial positions are held by women (EOWA 2008). Most respondents were very interested in the topic of the research and were eager participants. Several remarked that they had often thought about their expenditure in CH and stated that they would be very interested in receiving any information that could assist in better management of the budget allocation to the practice. Not all interviews were conducted in person due to distance and schedule conflicts. Although the majority of the interviews (10 in total) were conducted in person, one-on-one with the researcher, speaking directly to each respondent by him or herself, 5 of the interviews were conducted via the telephone.

Notwithstanding the open and generous information provided by some respondents, there were two participants in the first stage of the research who were clearly uncomfortable with disclosing too much information. It is hard to determine from the data why this may have been the case but it is the contention of the researcher that it may have been based on the respondents not being comfortable discussing the confidential nature of company operations with any party outside their own organisation. Further, it was evident that questions related to measurement, feedback, training and strategy may have unsettled them as the issues exposed a lack of management of the programs for which they were responsible.

Twenty senior executives had initially been nominated for interview; however, the interview process was terminated earlier. After interviewing 13 respondents it appeared that saturation had been reached as no new themes were emerging. An additional two interviews were conducted to make certain of the saturation of the data and then the process was terminated after fifteen interviews had been completed. Theoretical saturation (Glaser & Strauss 1967) is a valid reason to end a data collection although it was acknowledged that further interviews would occur if new information presented itself. Theoretical saturation is explained as the point reached in a data collection with participants where no new themes emerged in a category, the category development is dense or the relationship between categories was well established and validated; therefore ‘theoretical saturation’ occurs (Denzin & Lincoln 2000, Strauss & Corbin 1990).

5.7.6 Data collection and recording – qualitative phase

Recording of in–depth interviews is a common practice (Veal 1997). The method adopted in the case of the interviews in this study was through the use of a digital recording device. Although it has been acknowledged in some sectors that recording of a respondent’s interview may inhibit them, all interviewees in this research were aware that their responses were to be recorded to ensure accuracy and integrity and this did not seem to cause them any concern. Some critics believe that both the researcher and recording device may reduce participants’ reactivity but the contrary view is that over time participants will eventually adjust to them thus improving reliability (Jackson 2008).

The process of recording and transcribing key elements from the recorded interviews was done for the following reasons:

- Simplicity – the process was easy to implement and required a minimum of effort and the recording equipment was discrete and efficient
- Accuracy – the recording to digital MP3 files creates a permanent electronic copy of the recorded interviews
- Accuracy – The transcribed phrases and comments can be related back exactly to the recorded interviews

- Dependability – The method of data collection can be relied upon as a true representation of the study
  (Adapted from Thomas 2003)

5.7.7 Data analysis – qualitative phase

The role of the researcher is to interpret and explain the findings of the study. Simply having access to the data is insufficient and the researcher needs to make it meaningful. The analysis of textual qualitative data is contrasted with that of the quantitative approach where structure and testing rigour prevail through numerical analysis and statistical procedure. It should be stated that regardless of the analytical approach taken, the significance should be the intention required for the data collected. The first phase of this study had a particular purpose to achieve and therefore required the researcher to be immersed in the process of finding meaning. "From coding text segments, the researcher forms themes and may interrelate the themes to form generalisations" (Creswell & Plano Clark 2007 p.30). Issues can exist through this approach as Neumann (2007) rightly states that this type of analysis remains a subjective process, with no universal means of analysis accepted. Although simplistically discussed by Dey (1993) as a circular process of describing, classifying and connecting, a more formal structure was required to ensure thoroughness in this process.

Miles and Huberman (1984) suggest that the analytical process should involve:

1. <u>Data reduction</u>: A way of summarising the data into a form suitable for review, assessment and subsequently interpretation.
2. <u>Data display</u>: The process undertaken during and post analysis in which data are displayed in a methodical way, one that allows the analyst to view patterns in the data in a compact way such as charts, matrices or graphs
3. <u>Conclusion drawing/verification</u>: Throughout the entire analysis the researcher records themes, patterns and conceptual flows which are subjected to further scrutiny by reassessing the evidence to substantiate them in the data (field notes or interview transcripts).

In this study rather than use computer based software, the recordings were individually played back and key statements and quotations that were captured were transcribed via the Microsoft Word program to allow for interpretation and analysis. Although analytical computer programs were considered, the researcher felt that doing it manually gave greater control over the coding process using an MS Word program. The analysis involved sorting through and evaluating responses to various questions posed to respondents which were related to the conceptual framework or the research questions for this study. Through reviewing each interview it was possible to identify key themes and evaluating the principal areas occurred through a recursive approach where “ideas are refined and revised in the light of the information gathered” (Veal 1997, p.135).

From the analysis gathered from the electronic copies of the files and the transcriptions, notes were made regarding items relevant in terms of the design of the questionnaire to be developed for the quantitative stage of the research.

5.7.8 Categorisation of interview respondents

To allow identification of respondents’ comments but to protect their anonymity, a coding system was introduced. Codes were allocated by reference to industry sector. The following table relates to the designators used in the analysis of the research:

Table 5.3 Industry category and research codes

Industry categorisation	Code used in research
Professional Services	(PS)
Hospitality and Leisure	(HL)
Financial Services	(FS)
IT & T	(IT)
Oil & Mining	(OM)
Media & Publishing	(MP)
Healthcare	(HC)

5.8 Second phase

The second phase, a quantitative study, built upon the qualitative stage for the purpose of verifying claims and concepts, testing the hypotheses stated earlier in this chapter and aiding in the development and validity of the proposed model. This is discussed in the following section. In the quantitative phase, an electronic survey was administered to 206 respondents. These respondents were drawn from a sample of middle and senior executives who had attended CH as a guest of a host organisation over the preceding 12 months. This is discussed in the next section according to the following list:

- **Questionnaire development**
- **Data collection – quantitative phase**
- **Pilot test of questionnaire**
- **Initiating data collection & recording**
- **Data analysis**

5.8.1 Questionnaire development

A questionnaire was developed to yield quantifiable data that could be examined, analysed and interpreted in a structured and methodical way. It allowed for the testing of concepts and themes with greater objectivity and a "transparent set of research procedures" (Veal 1997 p.146).

There are several benefits of using a survey instrument in this research including the ability to access a wider population, ensuring a more complete picture of the practice of CH. Further, this phase offers the opportunity to revisit the data for more analysis or a longitudinal survey should further research be required. Although initial consideration was given to collecting the data for the second phase via 'on-site' surveys conducted at special events, this was considered problematic and rejected. Principally, the potential for a halo effect due to the excitement of attendance at the special event may have dominated the responses received. Furthermore, the rejection of on-site data collection was due in part to the researcher's opinion that it may have impacted on the enjoyment of guests attending the event and may have reflected poorly on the host organisations.

The questionnaire was developed over several weeks. It was refined to ensure that it presented the best opportunity to gain the data required to test the research hypotheses. The questionnaire was divided into four sections. Each section was designed to group questions according to common themes. Section one related to the invitation and the event itself, section two related to the CH experience and section three related to post event and legacy of attendance. Section four captured demographic and organisational statistical data required for further analysis. A copy of the questionnaire has been provided in Appendix B.

5.8.2 Data collection – quantitative phase

There were several options available to the researcher in the way data could be collected. Mailing out a self complete questionnaire and returning it through a reply paid mechanism was one option that was considered. Administering the questionnaire using a website internet link was another option. In considering the first option, issues such as the cost, likely response rate and the time required to capture the data, along with the manual input of data were deemed impediments. The second option of creating an internet based questionnaire devised by the researcher held promise but the potential to gain a sufficient number of completions without favouring one host organisation’s clients over another was considered a hurdle. To minimise such bias and to ensure the timely completion of the data collection for this stage it was decided that an independent on-line research company could manage the data collection. The receipt of research funding enabled the commissioning of a marketing research firm to administer the questionnaire. The participants (n=206) were drawn from a pool of 15,000 Australian contacts that were held by an international on-line panel and field work research company, Research Now. It must be reiterated that the development of the questionnaire, the selection of sampling frame and the briefing of both research consultant and programmers were conducted by this researcher.

The advantages for proceeding with this approach to data collection were many and varied, including:

- The benefits of using the internet and email meant that geographic location of respondents was not an issue.
- Anonymity could be assured as the researcher and respondent need not know each other's identity.
- The likelihood of the target sample of executives having access to a computer and the internet was extremely high
- The data could be collected quickly and efficiently and at a reasonable cost.

The sample sought both male and female respondents over 18 years of age, working in a full time capacity in either middle or senior management within Australia. The proviso for their inclusion in the sample was that they needed to have received CH at a special event as a guest (no charge) sometime in the last 12 months. The sample size (n=206) was considered an appropriate size for the second stage of research in order to undertake the statistical analysis required. The sample was drawn from an extensive database of 15,000 people held by the Australian affiliate of an international research company and indicates no evidence of being either biased or unrepresentative. Research previously conducted into CH by Bennett (2003) with a similar sample size (n=189) gave confidence that an acceptable level of variation within the population of those surveyed could be drawn. It should be noted that a "large sample size alone does not guarantee a representative sample" (Neuman 2007, p161). The researcher felt that the sample size obtained provided a sufficient foundation for inferences from the data to be made.

5.8.3 Pilot test of questionnaire

Once the survey instrument was uploaded to the internet, several tests were conducted to ensure that the questionnaire functioned as designed. As a result of the initial testing, two questions were reordered, bringing them into an earlier section of the survey to assist with the screening process. The screening was designed to ensure that only full time employed managers or executives of the population completed the questionnaire.

The survey was beta tested (internal checking of spelling, links and data collection). In this final stage, one typographical error was found and rectified prior to the survey being released live for the pilot test. To pilot the instrument the survey was opened for one day, 59 completed questionnaires were received equating to 27% of the target sample size. The data from the pilot questionnaire were downloaded into a computer based software program, SPSS, for analysis. Initial screening of the returned questionnaires in terms of the responses to each question did not identify any issues with the data and the decision to proceed with the questionnaire unaltered was made. The questionnaire was then opened on-line for three days and received 206 completions including the 59 aforementioned survey responses before the survey was taken offline.

5.8.4 Initiating data collection and recording

The data were captured via the computer at Research Now and exported via an SPSS file format to the researcher. The data were checked at the research company to avoid duplication, errors or irregularities but were rechecked by the researcher on receipt, having been uploaded to SPSS for consistency, the data file was found to be clean.

5.8.5 Data analysis

There are several strategies available to the researcher when analysing mixed methods data. Keeping the data and analysis separate for each stage until the conclusion and discussion is one of the options. Alternatively, data types can be synthesised and combined for comparison or the data can be converted from one form to another for further analysis. A researcher is required to assess the type of analyses that will yield the optimum outcome based on the available datasets. Typically, there are several guiding issues that require consideration. These include how the separate analyses are to be synthesised in order to draw conclusions that incorporate both sets of data, the relative quality of each of the separate analyses and the strategies to manage findings that reflect contradiction rather than complementary findings. For this research, one method has been used as a tool in the development of the other. Although sequential in design the research will allow a certain level of integration ‘on the way’ as the first stage informed the design and analysis of the second (Caracelli & Greene 1993). The types of statistical analysis and evaluation of the data that were conducted for the second phase of the research included demographic items, scale reliability, confirmatory factor analysis and hypothesis testing and this is discussed in detail in Chapter 6.

5.9 Ethical considerations

What should remain paramount in a researcher’s quest for knowledge is that the design, conduct and reporting of research is done in an ethical manner. As this research contained human subjects, an additional overlay of ethical responsibility existed.

Veal (1997) contends that the researcher adheres to three guiding principles:

- That no harm befall the research subjects
- That subjects should take part freely
- That subjects should only take part in the research on the premise of informed consent.

Ethical approval was received for this research on the 4th of November 2008 from the Victoria University Postgraduate Research Ethics Committee. The following table Figure 5.4, outlines the procedures followed to ensure that the research study followed ethical guidelines.

Table 5.4 Table of ethical considerations and response

Consideration	Phase One	Phase Two
Informed Consent	Covering letter to each potential participant with outline of research study, ethical precautions undertaken and voluntary nature of participation. Consent was obtained through the return of signed consent form attached to the letter.	Information profile of the research study and security procedures. Informed consent held by Research Company "Research Now".
Security of the Data	Electronic files stored on the Victoria University computer system (password protected). Hard Copies of transcripts kept in a locked filing cabinet at Victoria University.	Electronic files stored at Research Now and on Victoria University computer (password protected). Hard copies of data analysis kept in a locked filing cabinet at Victoria University.
Recruitment of participants	An invitation to participate was made via an initial telephone call with a written information pack regarding the study mailed thereafter.	An invitation to participate made via an email sent to potential respondents with information regarding the study.
Anonymity of participants	To allow identification of respondents' comments but to protect their anonymity, a coding system was introduced.	Respondents were not identified by name or address through the electronic survey instrument.
Protection of minors	No persons under the age of 18 were involved in the research.	No persons under the age of 18 were involved in the research. The software was programmed to terminate any responses after the question of age returned a less than 18 years response.
Provision of feedback	Acknowledgement to all participants that a briefing and summary would be available to all participants on the conclusion of the research.	Acknowledgment that briefing and summary of findings were available upon request.

5.10 Methodological limitations

This section seeks to discuss and explain the limitations surrounding this study. The following outlines the key issues that need to be acknowledged when considering the research findings and implications of this research and its proposed conceptual model.

1. Sampling approach: The second phase of the research used a Market Research company 'Research Now' to obtain a sample of middle and senior executives who were deemed representative of a population of such executives in Australia.

2. Sample bias to South Australian and Victorian respondents: The first phase of the research involved depth interviews with executives from four Australian states. It is important to record that the sample heavily represented respondents from South Australia and Victoria and respondents residing in New South Wales and Queensland were under-represented. It is the contention of the researcher that the CH offerings (special events) are available in most mainland states and there is no reason to believe that there lies any undue bias in the results based on geographic location of the respondents.

3. Researcher Declaration: As a practitioner with over 20 years of commercial experience in a range of industries most commonly in executive sales and marketing positions, it was considered that the researcher involved in this study should declare an interest. With past involvement in the CH sector ranging from willing participant to host; it was considered that the research should be able to be independently assessed to minimise the potential for influence or bias that may accrue based on the researcher's prior experiences. As the analysis of the data in the study involves interpretation on the part of the researcher (Fetterman 1998, Hammersley 1990), a review of the conceptual framework, research instruments and data collection process was undertaken and verified by an independent academic with no connection to the study.

4. Application to other CH contexts: The purpose of this study was chiefly to test the influence of CH on consumer behaviour based on brand equity attributes of

customer loyalty and purchase intentions within B2B interpersonal commercial relationships. As a result, recipients of CH invitations on other stakeholders such as the media, employees, government or industry associations were untested and therefore results and implications may not be applicable to all groups of invited guests to CH events.

5.11 Summary

This chapter has presented a discussion and justification for the methods and processess undertaken during this study. The application of mixed methods incorporating the collection of both qualitative and quantitative data used for this research was predicated by the purpose for the study. The research explores the extent to which CH influences brand equity and purchase intention in B2B markets within Australia. In addition, it seeks to develop a conceptual model that will assist in explaining the practice. The study has used mixed methods with two separate phases to reveal the attitudes, beliefs and behaviour of stakeholders involved in CH programs. In the first phase of the research, semi-structured interviews were conducted to elicit data from principals of host organisations involved in CH programs. The second phase incorporated a survey designed to capture data from guests that had recently attended a CH event. Results and analysis from the data collection are outlined in the following chapter.

CHAPTER 6: QUALITATIVE RESULTS AND DISCUSSION

6. Introduction

This chapter discusses the findings of qualitative research that comprised the first phase of the study into the practice of CH. The qualitative data collected were gathered initially to aid in the explanatory phase of the research and to assist in the design of the quantitative instrument as well as assisting in interpreting the resultant quantitative data. As has been stated in the previous methodological chapter, the design follows the sequential explanatory model proposed by Creswell and Plano Clark (2007).

The research undertaken for the initial phase of the study involved interviews conducted with senior executives within a range of businesses involved in CH programs. Data collected sought to provide both descriptions of programs, management attitudes towards those programs as well as explanations for specific approaches taken for a range of issues. Data were drawn from a sample of 13 executives excluding the two interviews that comprised the pilot. The respondent's interviews were able to generate first-hand information from executives whose responsibilities involved the day to day operation of CH programs. Accessing respondents representing a cross section of industry sectors allowed the researcher to gain a broad insight into the experiences, challenges and trends occurring in the field of this investigation. Senior executives were chosen by the researcher through direct and indirect approaches as well as by referrals. Each potential respondent was vetted to ensure they held managerial responsibility for CH in their respective organisations prior to being accepted to participate. Respondents indicated that they undertook a range of CH activities that included attendance with their invited guests at concert events, football, rugby, thoroughbred horseracing, celebrity chef dinners, boardroom lunches and arts festivals.

Potential respondents were issued a brief synopsis of the study, its principal investigators and the methodology along with a consent form. Once an acknowledgment of interest to be involved was received, a signed consent form was sought from each respondent. In most cases the respondents were genuinely interested in sharing their knowledge and experiences as practitioners in their field. This presented a current and practical view of CH allowing the researcher to draw contextual meaning from the data provided.

6.1 Aims of qualitative research phase

The aims of this phase of the research were varied. The underlying role for the qualitative phase was to gather data relevant to the research area from senior executives involved in the management of CH programs to add context to the study and to inform the quantitative phase.

This was achieved by firstly, using the data collected to identify differences in the way organisations approached the practice of CH; secondly it aimed to classify the issues that arose in the interviews into specific categories and, lastly, to inform the questionnaire that was produced in the quantitative phase of the research. The interview guide was divided into five categories to elicit responses relating to five key areas of academic enquiry. These included the context of CH programs, the measurement of programs by respondents, the strategic approach of the organisation in relation to CH, the range of stakeholders in such programs and discovery of any negative issues that arise from CH. Semi-structured interviews allowed the researcher to discover new information that provided a more focussed examination on areas not previously considered. As is often the case in a qualitative study, the analysis and interpretation is an on-going process that commences with the initial interview. This creates pathways of investigation where the interviews offer the platform to explore specific issues that are raised in earlier interviews. In some circumstances, some of the comments recorded in the interviews were not directly related to the thesis topic but gave a better understanding of industry nuances or the marketing environment where the CH program takes place.

The research findings were written up as a structured account around the main themes identified with the use of illustrative examples drawn from each transcript as required (King 1998). This allowed the focus of the research findings to be structured along key lines of enquiry and adopted Gee's (1999) units of discourse model where the data were structured around key quotes to encapsulate phrases and incidents. From the analysis of the recorded interviews, key concepts were grouped and subsequently formed the basis of the narrative. It was the aim of the researcher to go beyond description and seek to explain causal processes as well as understand the relevance of the data in the development of the conceptual model.

Where quotes are used in the text, names of respondents have been substituted with the codes found in the table 5.4 to preserve anonymity. Although in qualitative research, the sample is not intended to be generalisable, it does, however, seek to cover many of the key issues. All steps were taken by the researcher to include a broad cross section of interviewees drawn from small, medium and large national and international businesses, a review of which is provided later in this chapter. Within the sample of organisations from the professional services sector, for example, are respondents drawn from a range of fields such as executive recruitment, management consulting and marketing services.

6.1.1 Categorisation of interview respondents

A coding system was introduced that assigns a code to reference comments contained in this chapter by respondents identifying them by a number and industry sector. The identification and designation of the codes has been discussed in the preceding chapter and was outlined in Table 5.4.

6.2 Results

From the analysis of the data collected from the interviews, several key themes emerged. Adopting Gee's (1999) units of discourse model, the data were structured around passages to better understand the themes and incidents occurring through the respondents' CH programs. These have been discussed individually and grouped into specific themes identified in the next section.

6.2.1 Categorisation of results

From the analysis of the qualitative data the following key themes (and sub themes) emerged and have been identified as follows:

- Interpretation of CH by host organisations
- Strategic marketing approaches to CH
- Stated objectives:
    - Relationship building
    - Personalised communication
    - Access (the foot in the door)
    - Education
    - Profile and brand building
    - Market intelligence
- Competitive advantage
- Measurement and evaluation
- Negative aspects of CH
- Key success factors:
    - Partners in programs
    - Host organisation staff within CH
    - The event
    - Exclusivity
    - Composition of coteries and networking
- Future CH investment plans

6.2.2 Interpretation of corporate hospitality by host organisations

In the first section of the interview, discussions centred on the role of CH in terms of its definition and marketing context. Respondents were divided on what they considered or defined CH to be. Some respondents used the widest definition of *"client entertainment for business purposes"* (PS2) and in this sense they stated a variety of events such as boardroom lunches and dinners, restaurant meals, harbour cruises, tickets to the opera or major events (PS1,MP1,HL1, OM1, IT1, FS1). Others were more specific and singled out one or two major events which they engaged in each year such as the Australian Open Tennis, Thoroughbred Racing carnivals or major educational conferences (HL2, PS2, PS3, HC1).

Regardless of the event typology, most respondents viewed the practice as a way of blending business with socialising. This was evident in the comments when asked to describe what CH meant to them, HL1 stated that it was *"a corporate social occasion"*, Respondent PS2 added that it was a time for *"social networking"* and respondent PS1 discussed it in terms of a *"non threatening environment"*. Most respondents thought that it was part of everyday operational business and an *"annual budgeted item"* (MP1). In a completely candid approach, one respondent deemed any CH as *"entertainment of a client to get the result we desire"* (MP2).

Not all those interviewed were overwhelmed by the practice and some felt that there was an obligation to *"invest in it or be left behind"* and that some customers now have *"a much higher expectation"* to attend major events at their (respondents) expense (PS3, OM1). On the contrary, FS1 argued that *"when there is customer loyalty, it is not unreasonable to expect an invitation on behalf of a customer, and why not?"*

Although considered an advocate of the practice, respondent MP1 discussed CH as a *"necessary evil"* whereas another considered it *"polite and normal practice"* (IT1). Such differences of opinion are explored when discussing the practice and potential drawbacks of CH later in this chapter.

6.2.3 Strategic marketing approaches to corporate hospitality

Whether a firm took a strategic approach to its investment in CH appeared to be dependent upon how the respondent viewed the importance of CH in terms of delivering wider marketing aims. There was significant variation in opinions in this area. The context of how CH is integrated is important. The data confirm that using CH in isolation cannot be seen to cure all ills with a firm or improve perceptions of its products and services.

> *"If you are not doing a good job of customer service, very little will help you retain customers. In the client-customer relationship generally corporate hospitality will not help you. It is not a panacea."* (IT1)

Several respondents gave little thought to its importance in delivering strategic objectives, whereas others used CH as a critical and significant part of marketing programs. Two respondents who appeared more strategic in the use of CH argued that *"Corporate hospitality is often implied as providing a short term gain but we do not see it that way"* (MP3)

This sentiment was echoed by respondent PS1 whose firm *"takes a long term view"*. It is evident through the data that most interviewed did not have a longer term perspective for CH. Several organisations admitted to objectives that were loosely or ill defined. Some stated that they had no formal objectives, that they consider them *"largely implied"* (HC1) and others discounted the need for objectives as CH was used as a *"reward for clients, a thank you"* (MP2, HL2, OM1) This approach tended to bundle CH in the same ways as other corporate gift giving.

When pressed, most respondents could elaborate on several objectives or rationale for conducting CH and these are outlined in the following section. Not all were comfortable with the use of CH invitations for reward with respondents HL1, PS1, PS2 and PS3 stating clearly that they did not like the concept of offering CH as a reward, *"we do not allocate invites as a reward for loyalty" (HC1)* but a contrary view was held by HL1 who acknowledged *"that it was appropriate"* to use CH as a reward for staff.

6.2.4 Stated objectives

Through the interviews, the following stated objectives were cited by respondents as specifically important objectives for the investment in a CH program. Each one of them has been discussed in detail in the following section.

6.2.4.1 Relationship building

> *"Personal contact is very important in business to business sales and that sustained contact is relevant to repeat business"* (HL1)

As was stated in the literature review of the thesis, relationship marketing has grown in popularity in recent times. CH is one of several tools marketers use for engagement with customers. As respondent FS1 contends, CH *"is part of a broader picture, it's a piece of the puzzle, one small part of the overall relationship machine"*. Similarly, most respondents are fully aware of the significance of relationships to their business, respondent MP1 from a large organisation stated *"after 80 years we feel pretty confident that we know how to manage relationships"*. Respondents were unanimous in discussing the role that CH played in the relationships of a host firm as stated by one respondent, *"the whole thing's the relationships"* (MP2). This admission was reiterated through interviews most typically represented by comments such as these. *"Firms are made up of people, personal relationships drive business."* (HL3)

It is important to make the connection between CH and why it is often playing a central role in relationship engagement for those organisations that employ the practice. Several respondents concurred that the role that an investment in CH could be viewed as an *"investment in relationships"* (IT1). These are most commonly those relationships between a firm and its customers, however, other stakeholders also feature.

CH offered a range of different forms of engagement and *"a way to keep in touch with your clients throughout the year"* (HL2). In the world of business to business commerce much of the business is transacted through email, telephone calls and third parties so personal relationships between a business and its customer can often be overlooked. This was confirmed by a respondent's comment *"I have always said that it is nice to have a dialogue with our customers away from their place of work"* (PS3). Further elaboration was provided by MP2 who said that staff entertaining guests through CH at major events did so as it *"allows that person to enhance their relationship with their clients"*. This indicated that building a social tie with a customer at a major event offers an opportunity to create a greater affinity with the company and its representative.

Differences of opinion existed with regard to the role that CH could play in terms of creating new relationships. Respondent MP2 stated that it was a way in which an organisation could *"create new relationships, win new business"* and PS3 stated that it could *"open up dialogue or gain access to people important enough to get business from"*.

Several practitioners disagreed with the power of CH to create new relationships. Respondent IT1 commented that *"in terms of access to new customers, (it is) not really that good for opening doors."* Respondent IT1, similarly, found it very hard to get competitor's clients to attend events. As a result of finding it unsuccessful in these terms, CH was used exclusively *"for existing relationships"* (IT1) where its role was directed at nurturing and consolidation. Most agreed that it was one of a range of marketing tools that businesses used for engagement but CH held some significant advantages. These included the nature of mixing business with pleasure or education. With the event itself being the cornerstone of an invitation, it required a 'buy-in' for invited guests.

Thus, CH offered a *"relaxed forum"* (MP2). With the forging of a closer relationship customers can be put at ease with the company, which was demonstrated by MP3 who stated that *"you bond with them; you click with them, (when) they have a problem they'll pick up the phone"*.

Further, this is elaborated upon by the statement:

> *"We are not selling a product, we are selling a service, CH establishes trust and commonality, common interest. It allows us to get in the ear and heads of our customers"* (PS1).

The opportunity for CH to strengthen relationships is reinforced by the comments made by respondent FS1 when describing the importance of CH and investing in the firm's relationships.

> *"If the relationship is healthy, then the relationship will get you through those tough times, when something gets hairy and someone is going to take a hit (financially) it definitely increases trust and commitment"* (FS1).

6.2.4.2 Personalised communication

The concept of a personalised form of communication with clients was discussed by several respondents. The practice allowed a company to keep in touch during the year from a guest perspective it offers *"face time with the person who invites you"* (OM1). This was further illustrated by comments such as *"the face to face time is a primary reason for corporate hospitality"* (PS2).

It was argued that although CH at major events does offer an extended period of time to interact with guests, it is very much dependent on the host to maximise the occasion. This is discussed in terms such as that

> *"to some extent the opportunities present greater face to face time with our customers but this is dependent on the quality of the representative"* (HC1).

6.2.4.3 Access – the foot in the door

The invitation to a major special event often lured those key stakeholders who are otherwise too difficult to access in the course of ordinary business. This does not necessarily mean that there is no existing relationship between a firm and a customer, simply the time pressures on senior executives often preclude time to meet face to face with suppliers or other stakeholders. Gaining access to stakeholders through their attendance at these events allows for *"talking business"* (MP2) and such opportunities offer *"reference points during the year"* (IT1). In addition, the length of time with guests at major events allows a host to "connect across the time spent which is more time than you get in an office or negotiation period" (OM1). For some companies, working in highly regulated markets or ones where there are group purchasing decisions *"it is hard, if not impossible, to get in front of product and brand managers"* (MP3) so the opportunity to use an event like the Australian Open *"will give us a chance to put a business case in front of them regarding our products"* (MP3).

Competitive pressure was evident in the data where organisations found that *"some competitors were using Corporate hospitality to gain access where no existing relationship existed"* (PS3).

This highlights the role of offering access to a *"very exclusive annual sporting event"* (PS3) that can often be an irresistible lure to prospective clients. It has been found that not all CH programs have the same drawing potential and perhaps the most celebrated event, namely, the Melbourne Cup is at the pinnacle. This was verified by respondent HL2 who stated that "the (Spring Racing Carnival) Birdcage has a 100% acceptance rate". The contention is that, unless it is a very high profile and exclusive event, it is unlikely to have appeal to targeted guests who do not have a current relationship with the host.

6.2.4.4 Education – value added engagement

In a competitive market place it is sometimes hard to have a company's messages heard above the noise and distinguished from the clutter. As a result, the role of CH in terms of offering a platform for education *"to discuss new products we have"* (MP3) was stated by several respondents. The involvement is often *"tied in with new information or product launches"* (HC1). For a respondent in the professional services field, several high profile CEO's accepted invitations to an event predominantly because it was targeted at education and innovation. This format offered "*learning…, lunch and a networking environment"* (PS1). The healthcare industry is one of several fields where there is *"stringent industry regulation"* (HC1) regarding customer entertainment. This overarching control on the practice ensures that an education element is an essential cornerstone in any CH engagement program.

6.2.4.5 Profile and brand building

The use of CH to build confidence in a firm and profile within an industry was found to have common acceptance among respondents. Respondent OM1 stated that the use of CH was undertaken in part so that *"our business is seen better (sic) than our competitors when the opportunity to tender arises"*. FS1 contended that CH was undertaken for reasons of *"greater brand awareness, all about building"* (FS1).

Further, elaboration centred on CH's ability to *"allow you to project a positive image to your customers"* (FS1). MP2 stated that *"CH is a component of brand marketing"*. Respondent HC1 stated that the marketing benefit of CH allowed the firm to *"represent the company in front of many customers in the same location and present a different face to our customers on a mass scale rather than the individual in their place of work"*.

Often the concept of brand awareness is confused with a mass marketing approach whereas the subtle and more personal approach of influencing key opinion leaders through CH plays a more sophisticated role in increasing a brand's profile in a market. When conducted by a smaller organisation, CH may play a far more important role. Several respondents stated that they did not have the marketing budget of their competitors, so they need to use the budget more effectively. Respondent HC1 challenged *"the marketing concept of more is more, I actually believe less is more, less branding, you get more credibility and as a result more kudos, therefore* *your customers may consider your product better."* On the other hand, a large organisation seeks the intimacy of CH to project a smaller more personable face of a larger corporation so *"that they (guests) can put a face and a name to our company rather than be seen as a monolith"* (OM1).

Many respondents echoed the sentiments of respondent HC1 who stated that *"it's how we go about our business"*. Respondent MP3 stated that using CH *"our clients know that we are going to be around for the long term, we are not a fly by night company, we are going to be here for the long term and that our products are well presented and supported"*. Respondent MP1 commented that *"we run these programs to keep that positive attitude towards us coming"* and this point was further elaborated by MP2 who stated that it *"builds confidence with clients and that it is more important in the time that we are entering at the moment"* with reference to the Global Financial Crisis (GFC). One respondent's firm had won the insurance industry's peak award for the last six years and his analogy was that the win further reinforced why they continued to invest in CH and have a *"reputation (that) erred on the generous (side) towards relationships"* (FS1).

6.2.4.6 Market intelligence

Although not implicitly stated as a primary objective, the opportunity to gain market intelligence in such an air of sociability was noted. In the *"relaxed forum"* (MP2) offered by CH it is not uncommon for guests to let their guard down. As business strategy is often reliant upon current information, the opportunity for CH to provide a forum for receiving market intelligence makes the practice more powerful. This was verified by the comments of one respondent who stated that *"you can tease things out, you get snippets of information that you may not get across a board table"* (MP2).

In business, the concept of reciprocity or 'quid pro quo' exists, whereby information is traded between one or more parties in the environment of a corporate suite. This will seek to benefit the host as well as the guest. Such information could relate to competitor activity, product launches, new entrants to a market or prospective job opportunities.

6.2.4.7 Attaining competitive advantage

Opinions from respondents were divided on whether engaging in CH provided a competitive advantage to their respective organisations. Many agreed that because CH increased firm credibility in the minds of customers, this in turn drove a competitive advantage because guests *"can see we are genuine in our philosophy"* (HC1). However, some respondents discussed that the program needed to be well designed, thoughtful and attractive to a prospective guest.

> *"Competitive advantage is achieved when it corporate hospitality is done right"* (PS1).

Broadly speaking, "done right'' (PS1) requires consideration of the elements that will derive the best experience for the guests as well as achieve the objectives desired from the host organisation. It is only when these two factors are aligned that a CH program can be deemed to succeed and build brand equity for the host.

To clarify this point, respondent OM1 stated that CH built *"credibility of the firm because of the investment in relationships"*. This demonstrates that a clear delineation exists between credibility and competitive advantage and these could be viewed as mutually exclusive concepts because *"people make purchasing decisions for a range of different reasons and CH is not significant enough in that range of reasons"* (OM1). Respondent FS1 argued that, although in itself CH did not build credibility, it *"absolutely"* provided a competitive advantage. A counter view was held by PS3 explaining that he did not believe that engaging in CH improved reputation, credibility or gained competitive advantage. He stated that *"if you had no empathy for a firm and were invited to attend corporate hospitality the likelihood is post event you would most likely feel the same way (about the host)"*. This signals that the health of a relationship prior to accepting an invitation to attend an event may well be an important factor in the CH experience of that guest and the outcomes for the host.

6.3 Measurement and evaluation

Perhaps the Achilles heel of CH is not the operational elements of designing a program, finding an appropriate event or ensuring a target market accepts, rather it is the way in which the investment in time and money is measured and evaluated. Not dissimilar to many marketing elements, it can prove costly in terms of time and effort to ascertain what value has been exchanged through engaging in a CH program.

The size of the budget allocation invested in CH varied widely from organisation to organisation. It proved problematic to gain a true comparison across the organisations interviewed due to differences in the accounting treatment of the expense, the relative sizes of the organisations and the issue of several departments within organisations splitting costs. As a guide, most firms CH expenditure was estimated at between 10% and 25% of total annual marketing expenditure. One small professional services firm (PS1) spent 50% of their overall marketing budget on CH, a figure that was considerably higher than all others. Another organisation had purposely positioned itself as the largest proponent of the practice in its industry and stated *"for us we lead this market, corporate hospitality … I don't know if that is a good or bad thing, whether people just get on the gravy train"* (MP2). These comments are poignant as they symbolise disconnection between the tangible cost of investment in the practice and the lack of knowledge about whether it has been effectively spent. Some were more concerned regarding whether the target audience was the correct one and whether the invited guests presented best value; *"we evaluate the worth, from the point of view of whether they are an important customer or not"* (HC1). Respondent PS2 was more circumspect and ensured that *"how much we've spent on individual clients (is measured) and tied back to revenue (generated) in the year"* and that it *"indicates how they will fill invitation lists"* (PS2).

Respondents that were using CH to drive business were unanimous in their quest to find better ways to qualify and quantify the success or failure of CH programs. This is evident by the comments from HC1 *"I think we need to track and measure these events. We have to keep challenging ourselves."*

Respondent IT1 who stated *"experience leads you to seek better ways of measuring outcomes in relation to marketing expenditure but resources internally to do so are often lacking"*. This was reiterated by HC1 who discussed that *"this is a tough one for us as we are only a small organisation so sometimes the operational needs to get the job done dominate over the need to quantify and forecast the benefits."* This point regarding the shortage in human resources with the time set aside to assess outcomes and evaluate CH programs was clearly an impediment to better understanding its worth with several respondents.

Return on Investment (ROI) was considered a topical if not prickly issue with respondents. Those who used CH as a reward for loyalty placed less emphasis on its measurement although were still expecting to justify its use. Others indicated that expectations for returns were not always sought immediately. *"We don't measure year on year, it takes a long time to build relationships therefore (we) take a long term view"* (PS1).

This point is further illustrated by the objectives of another respondent:

> *"Sometimes for longer term reasons we will continue to support an initiative that may not necessarily have an ROI because we are looking for sustainability and making sure that our principal customer base recognises us as solid, consistent and reliable and therefore sustainability and continuity of our relationships is important for us"* (HC1).

This was also a feature of comments made by MP3 who stated when his organisation invested in CH *"we do not do it relative to sales for us it's about customer focussed (sic) and we know that is a function of a long term perspective."* A counter view was advanced by FS1 who stated that *"the CH expense budget is directly related to results or revenue"*.

In terms of the investment in CH some organisations were more sophisticated than others and respondent OM1 stated that his division within the company *"track and* *capture all expenditure, the list of invitees, the list of invitations declined"*. He added that a different division in the same organisation "*hands out tickets willy-nilly*" so company wide assessment of CH varies or is often overlooked. Another respondent was less stringent but kept a watching brief over CH, *"I don't track the amount spent per customer but I do track the value of the relationship"* (MP1). Others indicated that *"no formal gathering of information"* (IT1) is conducted.

The recent tightening economic conditions delivered by the GFC have forced many to take another look at justifying all expenses. This was discussed by several respondents with many suggesting that there is likely to be further scrutiny on a range of marketing expenses. *"Improving the measurement will be a priority, yes I think so… we live in an age of accountability"* (MP2).

That said, when asked whether the respondent followed up with invited clients post event the answer was *"no hadn't thought of that, too busy writing revenue I guess"* (MP2) which confirmed the priorities of the executive were based within an operational rather than strategic sense.

The view of CH from most respondents was that it was just another facet of marketing their organisation and has been so entrenched as to be regarded as natural business practice. It *"cannot be viewed as a standalone activity"* (PS2) but moreover part of overall integrated marketing communications strategy. In conclusion most respondents would like to have a better understanding of how to measure the practice. As stated by one respondent *"you also have to consider the opportunity cost of not doing it"* (FS1) and that the results for running a CH program need to be compared *"with a period of time of not doing it, say a year or two, declining relationships, therein lies the answer"* (FS1).

6.4 Key success factors

The key success factors are those elements that if implemented within a CH program would be considered important to achieve successful outcomes. Individually, these factors have been identified below but it is the considered opinion of the researcher that they cannot be viewed in isolation and most often are required to be amalgamated to ensure maximisation of the benefits of a CH program. These factors have been identified from an analysis of the data and represent elements that appeared to exert a positive influence on the success of CH programs in the host organisations, the participants in this phase of the research.

6.4.1 Key success factors - partners in programs

The role of partners of targeted guests cannot be understated. It is often the partners who will determine whether an invitation to an event is accepted or not. Senior executives tend to spend more time at work so the opportunity to attend major events with their partner provides a welcome respite as well as a chance to reconnect in their own personal relationships.

> *"Those that spend a lot of time away from their partners use Corporate hospitality as a way of re-engaging with their partners whilst enjoying a social event"* (PS3).

Not all respondents concur, however, as one respondent discussed that the reason it was sometimes difficult to obtain acceptance at events of targeted guests was because *"sometimes* (they) *don't like to come to events, the partners don't like the social aspect, so it makes it difficult on their partners so therefore* (the targeted guest) *do not like to come along."* (MP1). On the other hand, one respondent suggests that you need to consider events that are attractive to partners. *"Sometimes the invitation may be more appealing to the intended target's partner than they themselves and the influence to attend may be driven by the partner"* (IT1). Most respondents acknowledged that ensuring the spouse or partner of a guest was made to feel welcome and enjoyed themselves was a critical part of the success of an event. For these reasons some organisations were very conscious of the types of events selected. *"We usually purchase events that provide cross-gender appeal"* stated (MP3). For one firm that used sporting events such as AFL football and Rugby Super 14's it was less of a consideration because it was usually a male only coterie *"partners are right out of the picture, I might do it from time to time"* (FS1). Similarly, MP1 stated that they "*do not consider guest's partners when selecting events*" although *"generally if the event lends itself to partners they are invited"* (MP1). These comments are reflective of respondents who place loose controls in their CH programs. Similarly the respondents that have made little or no consideration towards a spouse or partner have indicated that measuring outcomes has not been a priority in their CH programs.

6.4.2 Key success factors - the event

There were significant differences of opinion on whether a single event annually or multiple events held regularly throughout the year provided better outcomes. With a major event such as the Spring Racing Carnival (including Melbourne Cup) or Australian Open (Tennis), some organisations placed all their CH 'eggs in one basket'. Specifically, a major event has a lead up, full of excitement and expectation whereby an invitation is highly valued and sought after. This allows an opportunity to connect pre and post event, whereas smaller events have less sense of occasion and therefore are subject to less attention. Other respondents though enjoyed a full calendar ensuring that they were always connecting with clients regularly throughout the year. "*The event is important; as we sponsor many events we have a range in which to choose to entertain clients*" (FS1). This was typical of organisations that held strategic CH assets such as corporate facilities in sporting stadia or concert venues, there was a continuous supply of events that were held year round. The key appeared to be matching the attributes of the events to an audience that would appreciate them. In the words of one respondent, it has to be "*an event of significance… a big brand event*" (MP2). Respondent PS1 argues that you must *"use the right events for the right people"*. The events selected themselves were often based on a range of factors. The target market interests are very much driven by socio-cultural factors. It was suggested that improving CH programs should start with an understanding about the interests of customers *"targeting and tailoring (events) to customers is important"* (HL3). High culture such as opera, symphony orchestra and musical theatre appeals to a specific demographic but has the added benefit as it *"has cross gender appeal"* according to respondent MP3. Comments were made regarding sports such as AFL Football that is ubiquitous in the Melbourne market and suffers from "*an oversupply (and is therefore) less desirable*" (PS3). On the contrary, football and rugby appeal to some professional services professions where there was a high dominance of male invited guests.

Motorsport, Rugby Union, Rugby League and Basketball tap into *"specific client interests"* according to FS1. From the data there appears to be a move away from motorsport events like the Grand Prix where the constant action and noise impacts upon the communication and socialisation aspect. It appears many respondents are favouring events appealing to both genders, with major Tennis tournaments like the Australian Open and the Melbourne Spring Racing Carnival *"most valued"* (PS3). *"I often have more fun at those days (horse racing) where you have got time to socialise and intermingle and have a few convivials"* (MP2).

6.4.3 Key success factors - host organisation staff within CH

The role that host organisation staff play in CH programs is varied. In one sense they are on call as hosts for their organisation to ensure guests are well looked after. For others, they are invited to the event as a reward for loyalty, a thank you or to fill spaces from the no-shows of invited guests. For some staff in sales or account management positions the benefit is more work related in that *"it allows that person to enhance the relationship with their clients"* (MP2).

However, it appears that not all staff are happy with attending events as *"some staff do not see it as a benefit; but you need to be flexible"* (PS1) and *"yes, it is an imposition but the age of, and experience of (our) staff understand that"*(MP2). Beyond the actual attendance, the competency of staff in acquitting hosting roles varies. Accordingly comments such as *"I have found that the expectation of management of our people is higher than that of those representatives (hosting)"* (PS3) and *"I think that we take it for granted that people know how to behave"* (HL3) highlight the lack of attention given to what is, in essence, a critical role within each program. There are several possible reasons for staff dissatisfaction; the fact that most events are held outside normal working hours suggests that staff will be away from family and friends. This is usually in an unpaid overtime capacity and the fact that as hosts they may need to wait on guests in a subservient manner may be discomforting.

Staff can be uncomfortable in some social settings and may not like to mingle. Further, they may be unaware of what is expected of them. This is especially so *"for new employees*" (PS3) or ones recruited outside the divisions of sales and marketing. On the other hand, many respondents suggested that *"most staff enjoy* (hosting at CH events) *it"* (IT1) and realistically there was *"no point forcing individual staff members to attend"* (IT1) as it was counter productive to your aim to be a welcoming and friendly organisation. The critical issue uncovered by the research is that the hosting capability of staff at CH events can be both a glowing endorsement and reflection of the brand values or signal a wider malaise within the hosting organisation. It is with this significance that it must be viewed as a key success factor.

6.4.4 Key success factors – staff training

If the veneer of the organisation is its front line then hosting staff members at CH events are the 'directors of first impressions'. Therefore, issues of capability and competence along with demeanour will have a lasting impact on guests of a CH event. Discussing the shortfalls of the hosting abilities of staff, respondents indicated that *"training would help"* (PS3). The agreement that training was considered important was based on a range of needs not necessarily completely dependent on the hosts alone. Two specific areas uncovered were 'in firm training' required to communicate to the wider body of staff why the business engages in CH and secondly 'in-suite' training to ensure that hosting skills and objectives are established and communicated in advance. Prior preparation in skill and competency along with established and understood objectives could alleviate many issues associated with measurement of satisfaction and commitment outcomes.

OM1 stated that many perceptions of CH need to be overcome within an organisation with a common comment being *"what's the use of that"* when referring to CH. The communication issue may even be appropriate higher up the organisation with company CEO's and boards who may view it as *"optional cost or (an) unnecessary extravagance"* (OM1). The solution advanced by one practitioner was that *"communication is important that discusses why corporate hospitality is being used; who is targeted through it and that it plays a role in an integrated marketing* *platform"* (IT1). The problem appeared that no respondents were talking outside their sales and marketing departments about such programs and only two were regularly briefing their hosts. This indicates potential for improvement in building competency through company communications building knowledge of the wider aims of the practice as well as building capability in host staff skills and in-suite etiquette.

6.4.5 Key success factors - exclusivity

The concept of CH at major events is to ensure that clients are treated to an experience that differs from that offered to the general public at the same event. It has been found that it is often a difficult task to gain an acceptance from a guest and their partner to attend events. This reinforces the importance that the goal of each CH experience must be focussed on creating an 'emotion shift'. Host organisations can be completely focussed on ensuring guests are made to feel welcome, comfortable and relaxed as well as ensuring guests are treated as people of special significance. Respondent MP2 indicated *"quality of the experience is the key"*. The overwhelming view of respondents was akin to the differences between travelling economy or first class. It is important that part of this promise is *"making it feel special, not a commodity ticket"* (OM1).

This feeling of exclusivity must encompass everything from the vantage point of viewing the event to the quality of food, beverage and service provided. These sentiments were shared by several respondents *"everyone is so time poor these days so we have to make it worthwhile*"(HC1). Similar views are held by respondent (HL2) *"if we are going to go, let's go premium"*. A problem occurs whereby some high profile events such as the Spring Racing Carnival have several competitors all chasing the same clients. Some guests *"can pick and choose as they'll have half a dozen invites to the same event"* (HL2), so the key is to try and improve the experience "*to impress the clients"*. This may be affected through a range of elements such as the quality of food and beverage, mementos and gifts or the addition of celebrities in a marquee, all of which are designed to elevate the offering. It is certain that exclusivity adds to participation.

In the last decade, the role of the CH broker has opened up the market for CH at major events. With the role of syndication of suites it has *"diminished the exclusivity"* (PS3) of events. Any individual or company can now buy access to many prestigious events without spending tens of thousands of dollars as had been the norm previously. This has opened up the domain of CH with at least one respondent claiming that it has lost some of its gloss or *"elitist tag"* (PS3).

6.4.6 Key success factors - networking and composition of coteries

One critical element that could influence the success of a CH event was determined to be the amalgam of invited guests and the staff that host them. *"Composition within the facility is a critical ingredient for CH success"* (OM1). The issue of a good composition is related to several demographic and socio-graphic characteristics of invited guests. Key among these were issues of ensuring the composition of individuals was at the same level of seniority within an organisation *"the second string down may not be appropriate, nor the third and so on"* (MP1). In addition, the age, cultural, political and social interests may also have a bearing on the conviviality of an invited coterie. Networking was a significant issue discussed as either an important or very important element by the majority of interviewees in determining the success of CH.

6.5 Negative aspects in CH programs

Certainly most respondents were more than happy with the CH programs that they were involved in managing. That stated there were negative issues that arose from time to time for some respondents. These issues for host organisations could be broken into internal and external concerns. Three external forces included CH guests, the venue (including venue/event staff and facilities) and the event itself. The two internally issues related to human resources. These included issues related to staff that were directly involved in programs with concerns over behaviour and etiquette as well as a broader sentiment within organisation where staff were excluded from CH programs identified as an equity issue.

6.5.1 External issues

External issues are related to the negative issues described below that are not governed by the host organisation.

6.5.1.1 Guest conduct and behaviour

Ensuring guests attending an event fit the host organisation's criteria is a critical issue. Although the identification and selection of a list of invited guests for an event can be controlled by the host, the conduct and behaviour of such guests is not. Therefore, targeting the right attendees and more importantly ensuring they attend is viewed as a significant factor for the CH event's success. This is made more difficult through the tardiness of those invited guests to make a decision to attend or not.

Several respondents noted that no-shows (non attendance) could be considered an issue. It was pointed out by some respondents that it was not simply something specific to their organisation and that guests usually *"make best endeavours"* (IT1) to attend. A divergent view was expressed by one respondent who indicated that *"people are so rude, not RSVP, then when they do, not turn up"* (PS1).

Invited guests can also cause issues if they become intoxicated or belligerent. This anti-social behaviour is considered rare in a corporate environment but had been experienced by four of the respondents. Another anti-social behaviour may occur through the lack of interaction or an inequity between the positions held by individual guests in suites. As an example, a CEO most often would rather converse with a CEO rather than a product manager in a work/social environment. This occurs through an incongruence of the guest list. This may occur where different divisions of the same organisation *"give out tickets willy-nilly… in shared facilities"* (OM1). This issue has been identified as one of guest list composition and discussed in this chapter.

6.5.1.2 Venue service and facilities

Purchasing CH in most cases requires purchasing access to a prescribed space. Although the ‘birdcage’ at Flemington racecourse (venue of the Spring Racing Carnival) allows some flexibility where hosts may build their own structure, more often venues are prescribed by event organisers and based on existing infrastructure. The venue, service and facilities are significant issues associated with measurement of guest satisfaction with an event. Several of the venue related issues are out of the control of a host organisation.

A host is extremely conscious of issues associated with poor standards of service *“you never want to be covering for them, or for them* (venue staff) *to be spilling a drink over someone”* (MP2). Problems do occur when venues *“don’t deliver what they promise”* (HL1), this happens where food is delivered either late, incomplete or not at the standard expected for the price point. If a CH venue is located outdoors, in the case of a marquee or similar, the likelihood of *“adverse weather”* (HL2) may have an impact on the venue presentation, attendance and enjoyment.

6.5.1.3 The event itself

The Event needs to live up to expectations. Certainly a host organisation can purchase a widening range of events, however, as a service product, issues related to the quality of that experience may not be able to be controlled. If it is a concert for example, the artist or band may have an off-night, technical issues may disturb the performance such as *“equipment, creature comforts or sound quality”* (HL1). These issues can be off-putting for host and guest. If, at a motor-sport event, a driver dies as was the case of Ashley Cooper at the Clipsal 500 Supercar event in 2007, it casts a shadow over the race. Similarly, if a horse is ‘put down’ in front of a crowded corporate marquee during a steeple chase, the consequence of this occurring will reflect upon the host and subsequently influence the success of the day.

6.5.2 Internal issues

Internal issues relate to the negative issues that may arise as a consequence of process and decisions made by the host organisation in relation to CH programs.

6.5.2.1 Organisational equity

In most organisations there exists a hierarchical divide between the executive or leadership team and the rank and file workforce. This disconnect may also occur with the sales and marketing division, whereby employees in this division are often seen as holding glamour roles. As CH programs often exist as the preserve of either the executive or sales and marketing teams, issues of disenfranchisement by employees not directly involved in hosting or attendance may occur. Some respondents incorporated staff into programs to diffuse potential negative staff sentiment whereas others created a clear division.

6.5.2.2 Host staff etiquette

As discussed previously in this chapter as a key success factor, the role of staff has been identified a factor in shaping a guest's CH experience. Critical issues associated with host staff are stated as ability, personality and enthusiasm. The role of the host is to engage with guests ensuring that expectations of the event can be met. Where host staff lack social skills that may be evident through the inability to engage with guests or doing so in an inappropriate manner, it reflects poorly on the event itself and subsequently the host organisation.

6.6. Future investment in CH programs

Most respondents acknowledged that the Global Financial Crisis (GFC) had created a slowdown in the Australian business cycle. It was therefore surprising to learn that the vast majority of those interviewed had no present intention of cutting back their CH expenditure. This was evident in the comments of one respondent who stated that

"CH expenditure is relatively stable, our sales figures rise and fall each year. Even though 2008 was our worst sales figure in the last 6 years our expenditure on the Tennis (Australian Open) *remained unchanged"* (MP3).

It was also enlightening to hear that some respondents expected an increase in their expenditure;

"CH will increase in the near future but some firms in slower economic times will cease to invest in CH. I think that is crazy! We have to work harder to maintain relationships. I would continue to spend regardless of what competitors do" (PS1).

The rise of internal company codes of conduct and industry regulation has had some impact on three respondents namely, HC1, OM1 and MP3. Although it has not restricted their expenditure in this area, it has made them very cautious about their approaches to guests and their selection of venues. Not immediately evident in the research, but acknowledged by some respondents as something that may be likely in the future, is a revision of CH programs to find savings. If in the case savings were sought, it is likely that smaller activities and less spectacular events will be hit hardest. The evidence indicates that the largest of Australia's major events that also have cross gender appeal will suffer less. HL1 contends that *"big events will stand out* (they are) *mandatory for big clients"*, however, if savings to budgets were proposed it is certain that *"to maintain or reduce costs you would entertain less clients at the same standard"*. This is a significant position as respondents indicated that organisations often have long term investments in events that may also be integral to annual marketing programs. The decision to cut these ties altogether would most often be seen as a drastic measure that could inadvertently send the wrong message to key stakeholders.

6.7 Discussion

This chapter has incorporated the findings of the first phase of the research into CH. The results of a study of this nature are significant as it assesses whether the growth and support that CH has enjoyed in the business community as a legitimate marketing practice is warranted. Faced with a lack of academic examination, B2B marketers have, for too long, operated CH programs that have been allowed to operate relatively unchecked. This occurs at a time where other marketing channels (such as the debate between old and new media) have been subjected to greater scrutiny.

If evidence could support claims of efficacy, the opportunity arises for further growth in the practice. This is of interest to venue and event owners from a design and capacity perspective through meeting the sector's needs but also the potential for revenue growth from this high yielding audience. On the contrary, findings that indicate deficiencies of CH in the achievement of key deliverables may influence B2B marketers to reassess the expenditure. This too, through the potential for winding back of such client engagement programs as CH will have ramifications for event and venue owners. Whether reassessment takes the form of exiting from client engagement programs, or, the more likely, reengineering of programs based on practices uncovered through the research remains unknown at this stage.

The results from the study have uncovered motivations and management practices as well as opportunities and problems that arise in operating CH programs. The aforementioned findings describe that several approaches exist to the practice so it is not surprising that objectives and outcomes expected from CH varied greatly between practitioners. This makes for a more difficult task when assessing issues of measurement and efficacy as no two organisations seek the same outcomes. That stated, the commonality between design and operationalisation of CH programs within the organisations that were interviewed allows scope for improvement. To contextualise CH, it is apparent that businesses engaged in the practice must recognise the seen and unseen costs of operating these programs. There exist a range of costs in terms of time and money. These include the role of securing an event, the planning and organisation as well as opportunity costs for such activities. The study has identified that those practitioners who had implemented better practices in the management of their CH programs often reported greater satisfaction with outcomes in areas such as attendance, measurement and justification.

To ensure the legitimacy of the time and expense to a business of CH programs, several key elements need to be understood at the outset. In assessing the type of event that provides the most suitable vehicle for organisations that seek to engage stakeholders, several factors need to be considered. Initially, the concept of CH at major events could not be distinguished from wider client entertainment by several respondents. Such interpretation revealed a range of opinions about what constitutes the practice. Although entertaining and hosting guests at major events features prominently, many other CH activities were identified. Whether customer engagement occurs within a conference environment, within the board room of a host organisation, at a five star restaurant or at a major sporting spectacle, the same tenet of hospitality remains unchanged. By definition, the principals of hospitality dictate a host organisation needs to be friendly, welcoming and generous to guests. It was found that those staff responsible for host duties plays an important role in a guest experience.

Along with access to exclusive arts or sporting events which are traditionally considered the realm of most CH programs, the role of information and educational exchange as a cornerstone for guest acceptance has been a surprising feature of the research. Through the offer and acceptance of invitations, an invited group was likely to listen to and consider information and education that was relevant to them if it was shown to aid their businesses. This added value to CH appeared to lessen the negative perception of the practice and was most noticeable in the professional services and healthcare industry sectors.

Understanding the rationale for employing CH within any marketing program should be considered before a commitment to any events is made. The overarching belief from the majority of respondents is that the function for CH is a goal of business improvement. The research has discovered this generic term requires greater clarity and definition for all participants before meaningful objectives can be set. Opinions from respondents differed about the importance of objectives and most respondents surprisingly, had no written objectives. If an organisation has set specific goals for their CH programs, more often than not they have not communicated those goals to all staff involved. In many cases objectives were implied.

Where objectives could be elucidated these were stated in the findings. The first and perhaps most significantly discussed was for CH's role in relationship building. As Business to Business sales involve commercial and interpersonal relationships (CIR), the role of CH was explored in the way it facilitates exchange of value between parties in these relationships. Key themes involved building on the existing relationships of the organisation to add strength and commitment stated by several respondents as especially important in a contracting economy. Offering customers access to major events through CH as a reward for loyalty was stated by several respondents although divergent views existed. Several respondents were quite opposed to the concept of CH as a reward, believing that it built unsustainable expectations from a client base and occasionally backfired.

Critically, the role of ‘face time’ discussed by respondents as time spent in person with key people involved in business with the organisation was also stated as an important objective. In a Business to Business environment, obtaining access to key decision makers when establishing new markets for goods and services was considered vital. CH was considered a useful tool by many respondents in opening up new opportunities; however, some respondents found that this approach did not always live up to expectations.

Measurement and evaluation has been identified through the research as a weak link in the operationalisation of CH programs. It was evident that many executives struggled to accept responsibility for measurement and evaluation. It is likely that respondents have not needed to justify the expense associated with CH programs to date and therefore little had been done to formally acknowledge the role of evaluation by most respondents. During interviews several respondents were clearly uncomfortable with questions that probed the organisational response to areas of measurement, feedback, surveying or reporting of programs. Most respondents were aware of the deficiency but sought to deflect questions surrounding the subject as it may have exposed their own shortcomings in terms of management of the programs. Addressing the shortcomings of measurement and evaluation will become significantly more important now that the economy has slowed and that the *“age of accountability”* (MP2) had presented executives with an added impetus.

Beyond the role of objective setting, the measurement of outcomes clearly troubled some respondents. Although opinion was divided, most interviewees would grasp any new method of improving the efficacy of their CH programs. When respondents were pressed into stating the objectives that they had for their CH programs, the views differed. Respondent MP2 stated *"to win new business"* but respondent PS1 said that they would "*never sell to a client at a CH function*" because it was not their organisation's style. Most agreed to retain the business that they already had was an important criteria. CH assisted because it was seen to *"keep them positive toward us"* (OM1) who also desired that *"our business is seen better (sic) than our competitors when the opportunity to tender arises"* (OM1). Through the research it was evident that some practitioners were able to contextualise the expenditure, state specific objectives and discuss how they leveraged particular events for actual outcomes that improved their business rather than the *"warm feelings"* (RA4) of involvement that were left with several others.

The use of CH in delivering strategic marketing aims of organisations was evident by the comments of respondents who saw it in terms of brand building and development. Several firms with modest marketing budgets invested heavily in CH insofar as it continued to deliver on brand building and sales objectives. Furthermore, corporate social occasions often yielded vital market intelligence that may not have presented in other environments. For many of these reasons, most respondents were of the opinion that engaging in a CH program provided a competitive advantage. Although this has been stated widely by respondents, it is unlikely to provide a sustainable competitive advantage based on competitors operating similar programs.

The type of event and its appeal were considered to be vitally important in not only the attraction of key targeted guests but underpinning the aforementioned brand building virtue of CH. Moreover, the event and venue as well as the presentation, food and beverage often reflect the host organisation's corporate vision and values.
The role of ensuring that the most appropriate event is selected for the target audience requires an assessment of important issues such as exclusivity, social interests, location, timing and budget. Without reference to these issues, acceptance of invitations by those most crucial for success may be compromised. Who to invite to an event is a critical issue for CH practitioners. This requires an assessment of the stakeholders of the organisation. Along with the identification of the best event vehicle for the purpose, the intended audience or target is equally important. Both must be selected on the basis of allowing the best chance of improving the business'

aims. It is acknowledged that even though all stakeholders may not be equally represented, the invited guests are the ones most appropriate for the firm at that moment in time. When an event is planned to occur is also a consideration. If the event coincides with any peak or trough period for business such as the end of financial year or Christmas holidays, guest acceptances may be impaired.

Similarly, the hosting responsibilities of staff including pre event briefing, etiquette and post event de-brief or guest evaluations were identified as principal issues. Misconduct by staff or guests at CH events often through intoxication was extremely rare with most respondents indicating that they had little or no experience of it.

Principally, several attributes combine when CH programs work well and these were identified as key success factors in this chapter. The first was the influence and involvement of partners of invited guests. It was clear that partners of a targeted guest should be incorporated into the planning, offer and engagement processes of those involved with hosting. Evidence from the research indicates that the growth in CH is likely to be driven in the events that offer cross gender appeal. Selecting an event that can offer a premium of exclusivity but also balances the spectacle with adequate time to network is also significant. This allows guests to feel more relaxed and opens opportunities for hosts to engage more fully with them.

Organisations that run CH programs must also be mindful of the possibility of the gulf that is created with other staff groups that are excluded from attendance. There exists a potential negative impact on a company's organisational culture whereby these events may be viewed by some sectors of the firm as elitist and an exclusive preserve of the executive classes. This signals the need for organisational communications strategies to demystify the program and create opportunities for access to a broader cross section of staff if warranted.

One of the most significant findings of the research was the future investment strategies for CH programs. In a market characterised in terms of recession, crisis and negative consumer sentiment, it was surprising to see the majority of respondents were planning no reduction in expenditure and in some cases an increase to their CH programs in the coming year. For those that were reviewing their options, smaller or newer events were falling out of favour to exclusive or established major events.

From the analysis of respondents, it emerged that further segmentation or grouping could be made in assessing the way in which practitioners view and operate CH programs. Through analysis of the data and research findings it appeared that there was a wide spectrum of applications of CH by practitioners. Some were almost evangelical in their belief that CH was integral to marketing and fundamental to their business success. A contrary view existed though, where some respondents considered that CH was part of a larger integrated marketing communications plan and could not be uncoupled from a range of other elements operating concurrently. Hence, this view goes some way to diminishing the role of CH as a standalone marketing solution. Lastly, there were respondents who appeared to be reluctant participants, and somewhat cynical, knowing that if they did not get involved in CH, their competitors would almost certainly take their customers. CH in this case could be considered less an optional marketing practice but a necessary requirement just to keep up.

In discussing the range of opinions and beliefs it was appropriate to consider grouping those interviewed from this study. This allowed for consideration of sub categories of CH practitioners. The researcher proposes that respondents could be described in the following order based on a range of attributes as discussed below. The three descriptors advanced are: Pacesetters, Rational Advocates and Cynical Participants. An outline of the attributes for each sub group of CH practitioner is listed below.

Table 6.1 Proposed nomenclatures for CH practitioners

Nomenclature	Example
The Pacesetters	• Innovation evident in CH programs • Use of CH in a measured way, fully integrated with other marketing elements • Blending of educational as well as entertainment formats • Building on relationships rather than sales as a strategy • Focus on high quality/exclusivity in offering • Track and respond to customer feedback of CH experience • Planned tracking of invitation and continued guest contact up to, during and post event • Loyal to specific events demonstrating proven worth (+5yrs) • Constant review to improve CH offer • Longer term (2-3 year) outlook on outcomes from CH • Trained staff that understand their hosting roles
Rationalist Advocate	• Year round programs of CH at major special events • High level branding, sometimes involving sponsorship of events • Conduct a wide range of events of varying size • Profile and composition of guest lists based on current sales needs rather than past histories • Focus on short terms needs with use based on need to leverage relationship for immediate short term gain • Introduction of new clients at events • Inconsistent follow up and lack of innovation • Lack of training and inadequate supervision of hosts
Cynical Participant	• Use CH sometimes reluctantly • Unconvinced as to whether investment in CH is justified • Lack of clear objectives for events • Invitations based on the expectations of client base and often same faces each event, each year, ‘old boys club’ • No formal feedback from guests/staff • Communication problems with other departments in host organisations that are not involved with CH program

Table 6.2 refers to the assessment of respondents derived from this study against the industry designation from which they were drawn.

Table 6.2 Classification of respondents by industry designation based on qualitative results

Classification	Industry designation
Pacesetter	**Healthcare** **Professional Services (H.R.)**
Rationalist Advocate	**Media/ Publishing** **Professional Services** **Hospitality and Leisure** **Financial Services** **Oil & Mining** **IT & T**
Cynical Participant	**Professional Services (Management Consulting)**

6.8. Summary

Through the initial stage of this research several themes have been identified. These have included objective setting and measurement, the importance of various elements that contribute to a positive CH experience and potential impediments to performance of CH programs. It was discovered that equally important were the role of CH in brand building, the role of partners in decision making related to attendance, the concept of mutual obligation as well as issues of host reputation and credibility.

The findings illustrate that different views exist regarding the practice of CH and that these pre-existing standpoints may influence the strategic use of the practice. Where innovation and professional event management practices exist in the objective setting, training of staff and measurement of satisfaction of guests involved in CH programs, there appeared a greater likelihood that justification of the expense invested in the practice could be made. Through the analysis of the data, it is proposed that it may be possible to group practitioners according to their approach to CH into three distinct types. The groupings proposed by the researcher were Pacesetters, Rationalist Advocates and Cynical Participants and are listed in Table 6.1. Information received through the in depth interviews was considered an invaluable aid in better understanding CH from the aspect of a practitioner and has assisted in guiding the development of the survey instrument.

Themes uncovered in the first phase will be explored in greater depth through the following quantitative phase of the research surveying beliefs, attitudes and behaviour of the invited guests to CH events.

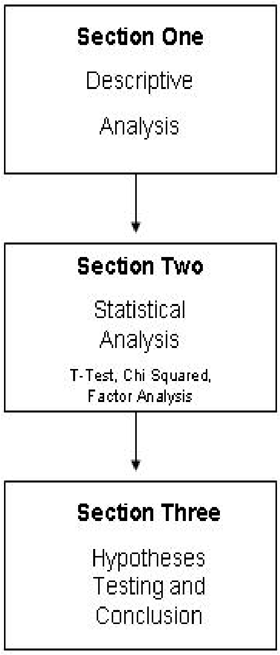
CHAPTER 7: QUANTITATIVE RESULTS AND DISCUSSION

7. Introduction

In Chapter Four the conceptual framework that represented the foundation for this research was discussed and a conceptual model was developed based on this information for testing through the research. In Chapter Five an outline of the research questions and hypotheses emerging from the model were stated. Chapter Six presented the qualitative results that formed the first phase of this study. This chapter presents and discusses the results of the second phase of this research. This second phase used a quantitative study for verifying claims and concepts, testing the hypotheses stated earlier and aided in the further development and validation of the proposed model. The development of the questionnaire included incorporating key elements uncovered during the qualitative phase. These included motivations for attendance including the role of partners and invitations in the decision to accept CH. In addition, it sought to understand whether there was any educational benefit after attendance for guests as this had been highlighted by a couple of the progressive firms as an objective.

The primary data collection was completed through the administration of an electronic survey as discussed in Chapter Five. This chapter comprises three sections as outlined in Figure 7.1. The first section contains descriptive analysis of the data. The second section reports on the application of statistical analytical techniques and the third section concludes with the results of the quantitative analysis.

Figure 7.1 Diagram of research design for quantitative results



7.1 Section one: descriptive analysis

7.1.1 Sample size

Internet survey. The second phase of data collection for the research was obtained via the administration of an internet survey conducted in September 2009 involving a sample of 206 respondents. The sample size was slightly higher than the initial target of 200 considered necessary (Ary, Cheser Jacobs, Razavich & Sorenson 2009) to undertake the analysis required.

7.1.2 Descriptive statistics

Descriptive statistics were obtained on respondents' demographics, CH experience, expectations, satisfaction and behavioural intentions and these are presented in a range of tables within this section.

Table 7.1 Demographics: summary of results, age and gender

Demographic profile			
Gender		**Age**	
Female	37.4%	18-24	1.9%
Male	62.6%	25-29	10.2%
		30-34	18.9%
		35-39	18.4%
		40-44	16%
		45-49	14.6%
		50-54	7.3%
		55-59	6.8%
		60-64	5.3%
		65+	.5%

Table 7.2 Demographics: summary of results, qualifications and position

Position within organisation		**Level of education**	
Board Director	3.4%	Secondary School	8.3%
Company Owner/Founder	6.8%	Trade Qualification (TAFE or Similar)	6.8%
Partner	4.4%	Cert/Diploma	23.3%
Senior Executive/Manager	29.6%	University Bachelors Degree	35.9%
Departmental Manager/Middle Manager	55.8%	Post Graduate	25.7%

The sample of 206 comprised Australian executives of all age categories and the key demographic information has been summarised in Tables 7.1 and 7.2. Gender was weighted significantly to males with women accounting for only 37.4% of respondents. The majority, 78.2% of respondents for the survey, were aged between

25-49 years. The target of the sample was middle and senior executives and respondents aged between 30 and 55 years made up 75.2% of the sample.

The largest group were aged between 30-39 years. Those executives aged 30-34 years accounting for 18.9% split evenly at 18.4% with those 35-39 years of age. The respondents to the survey held a range of positions within their respective organisations. The sample was purposively aimed at decision makers who held middle and senior roles within organisations. As such, 14.6% were considered to be at the apex of organisations holding leadership roles as board director, partner or company owner/ founder. Almost one third of respondents (29.6%) held roles as senior executives or senior managers. The largest designation within the sample fell to those classified as departmental or middle managers and represented 55.8% of the sample.

Table 7.3 Tenure of executives within their present organisations

Tenure in present role	N	Mean	Std. Deviation
How many years have you spent in your present role?* (in years)	206	3.2	.96

As displayed in Table 7.3, the mean number of years spent by respondents in their present role was in excess of three years.

7.1.3 Composition of respondent vocation (industry grouping)

Table 7.4 Respondents by industry grouping

Business sector of respondents	Frequency	Percentage
Government/Defence/ Healthcare	50	24.3%
Construction/Manufacturing/Engineering	31	15%
Education/Training	26	12.6%
IT & T/Logistics	22	10.7%
Business Services(Accounting/Legal/Management Consulting)	20	9.7%
Hospitality/Tourism	15	7.3%
Retail	14	6.8%
Banking/Financial Services/Insurance	13	6.3%
Advertising/Media/Entertainment	7	3.4%
Mining/Oil & Gas	4	1.9%
Property	4	1.9%
Total	**206**	**100%**

Table 7.4 reports the composition of industries represented in the sample. The majority of respondents were employed in Government, Defence or Healthcare sectors representing 24.3% of the sample. The group with the second largest population were those involved in the Construction, Manufacturing or Engineering sector where respondents accounted for 15% of the sample. Thereafter, the principle sectors included education and training 12.6 %, IT & T / Logistics at 10.7% and professional business services 9.7%. The results skewed to healthcare, education and defence is reflective of an Australian economy buoyed by dramatic growth in the last ten years according to Austrade (2009) and in defence “where the five year real growth trend for local industry was around 3.1 per cent per annum and the average growth projection is about 4 per cent per annum across the next four years” (Department of Defence 2009).

With 12.6% of respondents to the survey being employed in small businesses, defined as those enterprises with 10 or less employees, they were in the minority. 46.1% were drawn from middle size businesses (11 to 200). The second largest grouping was the 41.3% that were drawn from big business, those employing more than 200.

The importance of guests who hold purchasing responsibility and their level of authority is a consideration that needs to be understood by hosting organisations. Ensuring that, where possible, the most appropriate individual that holds the power to specify or authorise a purchase is targeted as an invited guest should be uppermost in the mind of the host if increasing sales is the objective.

In a B2B purchase there may be more than one person involved in a purchase decision. In many organisations, buying groups consist of several people who ultimately may have some involvement in the decision or actual purchase process of goods and services. One of the critical decisions that any sales and marketing executive in B2B sales needs to determine, is who ultimately has the responsibility (authority and purchasing rights) to make the transaction.

As a result, many invitations to CH are targeted to those individuals who have purchasing rights and responsibility. Through the data presented in Table 7.4, it can be seen that 72.8% of those surveyed held purchasing responsibility. Of those who held purchasing responsibility, 75 executives had responsibility for individual purchases over $25,000. Perhaps the most valuable targets for a CH host were those guests who held purchasing responsibility, for individual items in excess of $100 000 of which 16.5% were evident in the sample.

Table 7.5 Purchasing power of respondents

Purchasing power of respondents		Frequency	Percentage
	Less than $1001	8	3.9%
	$1001-$5000	23	11.2%
	$5001- $25000	44	21.4%
	$25001-$100000	41	19.9%
	$100001- above	34	16.5%
	Total	**150**	**72.8%**
	No stated rights	56	27.2%
Total		**206**	**100%**

That is not to say that those surveyed with either low levels of purchase authority or no direct purchasing responsibility would be unsound recipients of CH. The data show that 21.4% held signing rights between $5001- $25000. If these individuals were involved in re-buy purchases over a period of a year, the value to a supplier could be considerable, as signatory rights are most often based on maximum single transactions only, not a cumulative total. For those respondents who stated that they did not have direct purchasing authority (27.2%) this figure appears to be relatively high based on the seniority of the sample. There may be extenuating circumstances for the incorporation of such guests that hold no stated purchasing rights within a CH program's guest list. Such respondents may be end users of a host company's products or services and equally should be nurtured and respected as they have power to influence purchases. These respondents may be part of a buying group or part of a circle of influence that directs purchases within a firm. In these cases, perceptions of a hosting organisation, its products or services could be equally valid. In other examples organisational governance in some firms precludes individual manager's rights to purchase in favour of a central purchasing authority.

7.2 The invitation to attend

One of the core functions of a CH program involves inviting guests to attend an event. This request to take part in an event or participate is a critical first step in guest engagement. The offer and acceptance of an invitation, although not legally binding between host and guest, may have ethical considerations. Judgement is made by hosts regarding the composition of a guest list, as well as by guests, in deciding whether to attend when an invitation is received. The following sections investigate specific areas of enquiry in relation to the CH invitation.

7.2.1 Frequency of attendance at CH events in a given year

Of the respondents surveyed, most had attended a hosted event more than once during the preceding year as seen in Table 7.6. Less than a quarter of respondents attended one event with most attending between two and three times in a given year as indicated in the mean of 2.63 events per respondent outlined in Table 7.7.

Table 7.6 Corporate hospitality attendance at special events in the last 12mths

Number of occasions respondent attended CH at a special event in the previous 12 months		Frequency	Percentage (%)
	Once	50	24.3
	Twice	71	34.5
	3 times	39	18.9
	4 times	17	8.3
	5 times	10	4.9
	More than 5 times	19	9.2
	Total	**206**	**100%**

Table 7.7 Frequency of attendances at CH events in the last 12 months

CH Attendance at special events	n	Mean	Std Deviation
Number of occasions respondents attended CH at a special event in the previous 12 months	206	2.6	1.51

7.2.2 Types of events

Table 7.8 Most recent event attended by type

Most recent type of event attended	Frequency	Percentage (%)
Hosted restaurant or banquet dinner	111	53.9
Golf Day or attendance at a Golf Tournament	25	12.1
Motorsport Event (examples V8, F1 Grand Prix, Moto GP)	10	4.9
Spring Racing Carnival (Melbourne Cup, Oaks Day, Derby Day etc.)	8	3.9
Cricket	3	1.5
Football Home & Away series (AFL,NRL,Rugby,Soccer)	25	12.1
Football Finals incl. Grand Final (Origin,NRL,AFL,Soccer)	3	1.5
Athletics	2	1.0
Music/Dance - Concert, Contemporary or Classical	4	1.9
Total	191	92.7
Other (specified)	15	7.3
Total	**206**	**100%**

In excess of half of the respondents (53.9%) indicated that a hosted restaurant or banquet dinner was the last form of CH to which they had been invited. Attendances at football of all codes (13.6%) for home and away series as well as finals matches were more common, as was the number attending golf events (12.1%). Golf event attendance has the added advantage of also being a participative event with company run golf days or a spectator event for major PGA sanctioned tournaments. The survey was conducted in September and as a result the events are weighted towards winter sports and activities. Had the survey been completed in February or March the likelihood is that spring/summer events such as tennis, cricket, thoroughbred horse racing, fashion events and festivals may have featured more prominently. Other events specified included a weekend retreat, a casino night, industry awards evenings and art events.

Table 7.9 How long has it been since you attended this event?

Time elapsed between last CH event attendance	Frequency	Percentage (%)
In the last 3 months	117	56.8
Between 3 and 6 months	52	25.2
Between 6 and 9 months	25	12.1
Between 9 and 12 months	12	5.8
Total	**206**	**100%**

Reviewing the results of the time elapsed since last attendance reported in Table 7.9 shows that more than half of all invited guests had attended an event in the last three months. Considering that this period of time coincides with the end of financial year commitments for many senior executives and a slower time of the year for most, it is likely that many host organisations select more than one special event each year and are likely to remain active with CH programs throughout the year. The results indicate that over 80% of respondents had attended at least one CH event in the last six months.

Table 7.10 Receipt of invitation

When was the invitation received?	Frequency	Percentage (%)
On the day	6	2.9
In the week leading up to the event	13	6.3
A week to two weeks prior to the event	51	24.8
Between two weeks and a month prior to the event	85	41.3
In excess of a month prior to the event	51	24.8
Total	**206**	**100%**

In table 7.10, results show that two thirds of respondents indicated that they had received their invitation to attend the event more than two weeks in advance of the event. One quarter of the sample received more than a month's prior knowledge. In cases where much advance notice is given, it indicates that a host organisation is well prepared and able to get vital information and acceptance well before the event occurs. On the contrary, invitations received within a week give little time for guests to prepare for the event and it is concerning that almost one in ten invitations were delivered inside this window. In the circumstances where invitations are received by guests either in the final week or on the day, it could be for a variety of reasons. Certainly poor planning on behalf of a host could be among them or simply it may be as a result of the late cancellation of an invited guest and the transfer of an already confirmed invitation to a third party. It is not uncommon for practitioners to have a 'wait list' for such eventualities if a guest cannot attend.

Table 7.11 *Respondent emotional response to receiving CH invitation*

On receiving the invitation did it create in you a sense of…?*	N	Mean	Std. Deviation
Acknowledgment	206	4.8	1.30
Satisfaction	206	4.7	1.35
Excitement	206	4.7	1.47
Anticipation	206	4.5	1.39
Expectation	206	4.4	1.24
Achievement	206	4.2	1.37
Obligation	206	4.1	1.60
Curiosity	206	4.0	1.60
Indifference	206	3.0	1.70

*** Scale of 1 to 7, where 1=strongly disagree, 7 =strongly agree**

Invitations and the acceptance of them is a critical part of the engagement process between host organisation and their guest in a CH program. It was therefore important in the context of the research to identify the emotional responses that are acknowledged by respondents on receiving an invitation to an event. The mean scores on the seven point scale presented in Table 7.11 that test a range of emotional responses ranged from 3 to 4.8.

From the data, where the responses fell marginally over the mid point on the seven-point scale, it is clear that respondents feel both acknowledged by their inclusion in the event and satisfied that their importance is recognised through being considered for an invitation. Equally, they look forward to the event with a sense of anticipation and excitement. There may be conferred upon them, however, through the invitation, a sense of obligation, either to the host themselves or the organisation that they represent.

Table 7.12 *Was acceptance influenced by a special characteristic of the invitation?*

Response	Frequency	Percentage (%)
Yes	62	30.1
No	144	69.9
Total	**206**	**100%**

Following the responses identified in Table 7.9 a further exploration of whether a host organisation invitation had a unique element that differentiated it from the norm was sought. From the research as reported in Table 7.12, 30.1% believed that there was something special about the invitation that influenced their acceptance for the event. From assessing this further, it was clear that respondents held a number of views about what was so special about the invitation. The following table 7.13 groups together the responses from the questionnaire and discusses them in greater detail.

Table 7.13 *Characteristics of invitation that influenced guests to attend event*

Characteristic	Number of respondents	Percentage (%)
Invitation Design	10	23
Invitation delivery or distribution mechanism	7	16
Venue or Event	13	30
Exclusivity	5	11
Other Invited guests in attendance	5	11
Miscellaneous	4	9
Total	**44**	**100%**

From the data, it is evident that respondents favoured a more unique or *"personalised"* approach. This is reflected in both the design (23%) and delivery methods (16%) of an invitation. Part of this includes bespoke invitations that were specifically designed for the event offering, rather than those produced generically. Other elements that were favourably regarded were invitations that were personally addressed and *"hand signed"* by the host. This was backed by an acknowledgment of the reason the event was held and the importance of the invited guest's attendance. The research showed that where a lot of thought had been invested into the design and production of the invitation itself, the effect was to enhance the invitation experience and this stood as a precursor of the event itself. Several respondents noted that invitations that influenced attendances were those that included *"very impressive design"* or cited *"lovely design makes all the difference"* and those that stood out to them were *"pleasing to the eye"*. Another respondent indicated that the *"graphic presentation was superb. It was eye catching and informative"*. Other elements that made an impact were invitations that included *"an agenda for the evening"* or something that *"described the event well"* to whet the appetite of a prospective guest.

The use of more than one communications channel was also noted. Invitations could be initially broached by a "*personal call*", followed by a written invitation sent via *"snail mail"* and then electronic follow up online or diary reminders through email. Respondents stated that the *"personal connection"* encouraged attendance.

Overwhelmingly the event itself or the location of the CH event was a major consideration and was cited by the majority of guests (30%). These respondents acknowledged that the event or venue itself was the special something related to their acceptance of the invitation. Respondents discussed that if it "*was an artist whose music I enjoy*" or the venue was at the exclusive *"men only Australia Club"* or a major motorsport event that they enjoyed *"the Clipsal 500"*, could provide sufficient reason to influence their attendance. This characteristic is explained in further detail in the subsequent factor analysis contained in this chapter. Of the respondents surveyed, 11% cited other guests attending the event such as a Master of Ceremonies, or VIPs such as a celebrity or guest speaker influenced their attendance. Therefore, the invitation can be viewed as an important tool that works on at least two levels within a CH program. Firstly, it must convey exclusivity, attractiveness and the desirability of the guest's attendance at the proposed event. In this sense its role is creating a perception in the minds of those fortunate to be invited that is an indication of the type of experience that is likely to be offered.

Secondly, the invitation as corporate communication must act as a sales tool. In the traditional advertising conceptual AIDA model it needs to attract Attention, Interest, Desire and then Action. In the more contemporary (CAB model) the invitation requires *cognition* in raising awareness of the company, event and date in the mind of a recipient. An *affect*, generating the interest or desire to attend that needs to be followed by a *behaviour* resulting in the acceptance of the invitation. This has otherwise been discussed in Chapters 3 and 4 as the hierarchy of effects (HoE) (Lavidge & Steiner 1961). It is therefore essential that the invitation be unambiguous, attractive, contain all relevant information and tap into an unsated desire for attendance. In addition, the invitation needs to fulfil a role as a 'call to action' and similarly to the role played by other marketing communications tools invitations must link with other branding and communications elements to further advance the broader organisational marketing goals.

Table 7.14 *Guest perception of reasons for being invited to a CH event*

In your opinion, how important were the following factors in the host's decision to invite you to the event?*	N	Mean	Std. Deviation
My past business transactions with the host organisation	201	5.2	1.50
The potential I hold to do business with the host organisation	198	5.1	1.56
A reward for my own or my organisation's loyalty to the host organisation	201	5.0	1.56
I am a friend of the host	191	3.6	1.80
I am a staff member of the host organisation	175	3.2	2.14
The invited party could not attend, I received the invitation by default	167	2.4	1.80
I won the invitation as a prize	166	2.3	1.90

*** Scale of 1 to 7, where 1= very unimportant, 7 = very important**

Reasons stated by guests as to why they believe they were invited to attend are displayed in the Table 7.14. The mean scores on the seven point scale, presented in the table range between 2.3 and 5.2. Critically, the business relationship that exists between host and guest is cited as the main reason for guests to receive an invitation. The rationale proffered by guests is that invitations are received based on past business transactions (a reward for loyalty) or the potential of guests to do business with the host organisation.

Table 7.15 Do partners play a significant role in acceptance of a CH invitation?

Consultation with partner		Frequency	Percentage (%)
	Never	51	24.7
	Rarely	53	25.7
	Sometimes	70	34
	In most cases	29	14.1
	Always	3	1.5
	Total	**206**	**100%**

7.3 The role of partners on the decision to attend

Table 7.15 displays the data received by respondents in relation to the role of partners in accepting invitations to CH events. Whether a guest consults a partner prior to an invitation acceptance received a mixed response. The figures were split almost equally with 49.6% who refer to a partner when an invitation to attend an event is offered and 50.4% of respondents who rarely or never consult a partner before accepting an invitation. Madrigal and Miller (1996 p. 157) state that “a substantial number of purchasing decisions reflect an asymmetrical distribution of influence between spouses” and these statistics confirm that for half of the invited guests the consultation process with a partner is an important step prior to confirming attendance. As the questionnaire did not ask whether each respondent was in a relationship or not, it is hard to determine, with any certainty, whether those who never consult a partner before acceptance actually have a partner to confer with. In addition, a limitation of the questionnaire is that it does not differentiate whether the conferral of acceptance is based on the invitation being extended to both guest and partner or partner alone. This could mean that the reasons for conferral with a partner may vary. If individual acceptance was assumed then the discussion with a partner may revolve around courtesy and the availability of the individual to be able to attend whereas the dialogue in relation to an invitation to both guest and partner maybe more to do with mutual interest in the event and venue, as well as the availability of both partners with the date itself.

Table 7.16 *Factors affecting guest attendance - descriptive statistics*

When accepting the most recent invitation to attend corporate hospitality at the event you attended which of the following were factors in your decision to accept?*	N	Mean	Std. Deviation
Your interest in the event itself	206	5.6	1.38
The history and relationship that you have with the host or host organisation	204	5.5	1.37
The chance to network & gain market intelligence	203	5.4	1.34
The venue, its services and facilities	203	4.9	1.55
Past Corporate hospitality experience of this event or one like it	201	4.9	1.52
The prestige & exclusivity of the opportunity to attend	204	4.7	1.58
The likely quality of the Food and Beverage	205	4.6	1.54
The opportunity of a social occasion with my partner	177	4.0	2.00

*** Scale of 1 to 7, where 1=strongly disagree, 7 =strongly agree**

The reasons stated why respondents chose to attend CH invitations at events is presented in Table 7.16. The mean scores on the seven-point scale were in the range of 3.98 to 5.56. The standard deviations range from 1.34 to 2. It is clear from the data in Table 7.16 that both the guests' interest in the event itself and the history that exists between the host organisation and the guest are the two greatest motivating factors for attendance. This is closely followed by a desire to network and gain market intelligence. A secondary grouping of motivational factors relate to expectations of the event itself including prestige, the venue and food and beverage on offer. Based on these data, the opportunity for a social occasion with a guest's partner as a reason for acceptance of an invitation was not widely supported with 29 respondents signalling that the question was not applicable (N/A) and those who answered it, rated it neutrally. It should be considered that inherent in this particular question is that there was indeed an opportunity for partners of guests to be invited to a CH event; this is not explicit in the question.

Table 7.17 Satisfaction variables of the corporate hospitality experience

How important is each of these factors to your overall enjoyment of a corporate hospitality experience?*	**N**	**Mean**	**Std. Deviation**
That the venue and event service staff are friendly and efficient	206	5.4	1.22
The social interaction with other guests	206	5.4	1.26
That the host organisation is welcoming of me and my partner	206	5.3	1.41
A variety of food that is flavoursome	206	5.1	1.27
The presentation of the food served	206	5.0	1.25
That the range of beverages include wines and beers of a high standard	206	4.8	1.60
That car parking is provided	206	4.8	1.68
The event is held outside normal business hours	206	4.3	1.78

*** Scale of 1 to 7, where 1=strongly disagree, 7 =strongly agree**

There are several factors that influence guest satisfaction with a CH experience. These have been tested and the results itemised in Table 7.17. The mean scores on the seven point scale presented in Table 7.17 range between 4.3 and 5.4. Principally those factors that rated highest (above a mean of 5) were venue and event service staff, the networking element with other guests identified as social interaction and the welcome afforded to the guest by the host. In addition the variety and presentation of the food is similarly an important factor for maximising guest CH satisfaction.

Table 7.18 Guest perception of hosting organisation

Please answer the following questions with reference to your most recent experience of corporate hospitality in reference to the hosting organisation **my hosts were...***	**N**	**Mean**	**Std. Deviation**
Courteous	206	5.8	.99
Friendly	206	5.8	1.03
Hospitable	206	5.7	1.01
Engaging	206	5.5	1.21
Absent for periods of time	206	2.7	1.67

*** Scale of 1 to 7, where 1=strongly disagree, 7 =strongly agree**

Following the role of the host in influencing the CH experience discussed in the previous section, Table 7.18 delves deeper into the guest perception of their host experience at the CH event. In the abovementioned table, mean scores on the seven-point scale, range between 2.7 to 5.8. The standard deviation ranges between .99 and 1.67. It is clear that in most cases respondents could respond positively with their perceptions of host and an assertion that a host would be absent for periods of time during the CH event is unsupported in the data.

Table 7.19 Guest perception of obligation to host organisation

Based on my decision to accept the invitation to the last corporate hospitality event *	**N**	**Mean**	**Std. Deviation**
I feel a sense of obligation to my host	206	4.4	1.44

*** Scale of 1 to 7, where 1=strongly disagree, 7 =strongly agree**

The results as reported in Table 7.19 indicate that accepting an invitation to attend a CH event comes with it a modest sense of obligation toward the host. This acknowledges that cognitively, a guest is aware that through the acceptance, a sense of obligation (no matter how small) will exist resulting from the attendance at the CH event. The following section records the line of enquiry related towards the element of networking, already identified in the literature review as relevant to business to business relationships.

Table 7.20 *Socialising and networking opportunities at CH events*

Please indicate your strength of agreement with the following statements*	N	Mean	Std. Deviation
Networking at these events is important to me	206	5.2	1.31
The opportunity provided to gain market intelligence at events such as these is important to me	206	5.0	1.40
It is important for me to meet new people at events such as these	206	5.0	1.40
The opportunity to learn of new job or business opportunities is important to me	206	4.9	1.51

*** Scale of 1 to 7, where 1= very unimportant, 7 = very important**

Table 7.20 provides the results of the section of the survey related to socialising and networking at CH events. The mean scores on a seven-point scale varied from 4.9 to 5.2. In discussing the results it is clear that the networking opportunity that CH events provide received the highest rating relative to other variables.

Table 7.21 *Attitude and behavioural intentions toward host post CH event*

Based on your most recent experience of attending the corporate hospitality event please answer the following questions according to the way you feel about the host organisation*	**N**	**Mean**	**Std. Deviation**
The host organisation understands how their goods and services impact our operation	198	5.3	1.30
The host organisation is genuinely interested in our business success	198	5.3	1.30
I am more favourably disposed to speaking positively about the host organisation to peers or colleagues	205	5.0	1.34
I learnt more about the host organisation, its products and services than I knew before attending the event	202	5.0	1.58
I feel a stronger bond to the host organisation as a result of attendance	206	5.0	1.35
I feel a greater sense of loyalty to the host organisation	206	4.8	1.35
The relationship I have with the host organisation has become closer since attending	205	4.7	1.40
It will make no difference to the purchases or transactions with the host organisation	189	4.7	1.83
I intend to increase my purchases or transactions with the host organisation	197	4.3	1.62
I will decrease my purchases or transactions with the host organisation	195	2.7	1.69

*** Scale of 1 to 7, where 1=strongly disagree, 7 =strongly agree**

In discussing the results presented in Table 7.21, it is first important to consider the thrust of the research questions that underpin this enquiry. In the context of the elements of brand equity, several interesting observations can be made. Firstly, bringing buyers and sellers together to understand more about each other is of paramount importance if the commercial interpersonal relationship is to grow and develop. As reported in Table 7.21 empathy and genuine support from the host organisation has been identified by guests in their attitude post the CH experience. That the respondents are prepared to advocate for the host is another strong endorsement of the practice as such advocacy is an indication of loyalty and an element of brand equity also signified by the stronger bond and the stated feeling of a greater sense of brand loyalty to the host organisation. The second key test is whether the feelings post CH to the host will translate into higher levels of purchase intention. On balance it could be stated that it will certainly do no harm to purchases, but perhaps only have a marginal effect on increasing a guest's purchase behaviour. There are perhaps more than one reason to be considered in this case but it may be that a guest that is already loyal to the host organisation will already be providing 100% of the business that they have to trade. Therefore, they cannot literally increase purchases beyond the needs of their business.

7.4 Missing data analysis

The mean scores on the seven-point scale presented in Table 7.21 ranged between 2.68 and 5.27. In terms of behavioural intentions the results displayed in Table 7.21 show that advocacy for the firm, post CH attendance, will increase, thus creating positive word of mouth (WOM) for the host. Purchase intention by guests for the hosts goods or services will either stay constant or show a modest increase.

The raw data set (n=206) obtained from the questionnaire was examined for patterns in the missing data. The questionnaire and software program administering the survey was designed to capture responses to all questions. Where the standard likert scale was inadequate on two particular questions within the survey to capture the depth of data required, an opportunity for respondents to use free format text to answer allowed for more descriptive responses and these have been elaborated upon in this chapter. These free format responses were for Question Four related to the type of event that the guest had most recently attended as well as Question Nine relating to a special feature of the invitation.

7.5 Summary of descriptive statistics

It was seen through an analysis of demographic data collected from the questionnaire that the respondents to the survey were mainly male, middle managers aged between 30 and 39 years. The principle findings indicate that elements of the events experience can be grouped according to three actors. The first is the event organisation, responsible for the event, the facility and staff. Respondents agreed that both friendly and efficient venue staff and food and beverage are important considerations contributing to the guest experience. The second actor is the guests, social interaction or networking with fellow guests which was found in the results to add to a positive CH experience. The third actor is the host organisation. The host 'hospitability' was found to play a critical role in setting the 'tone' for guests attending along with the selection of the event itself and the food and beverage served.

In terms of the key tenets for the research, namely, the influence of CH on attitudes and behaviour of guests attending it was found that advocacy for the host improved as a result of attendance and purchase intention for host organisation products and services was slightly improved.

7.6 Section two: research questions and hypotheses testing

Now that the data have been examined initially in a descriptive sense, further analysis is required to assist in testing of the model proposed in Chapter Four and to provide responses to the research questions posed in Chapter Five of this thesis. In this section of the chapter, results of the testing of hypotheses conducted are presented and discussed. These tests include a range of statistical techniques to derive associations and differences as well as factor analysis, employed for data reduction. In some circumstances, where hypotheses were accepted or rejected, not all statistics that were used have been included in the thesis.

7.6.1 Methods of analysis

Table 7.22 Methods of statistical analysis

Method of analysis		Types of data	Example(s) of variables
Tests of association	Correlation analysis	Metric variables	Purchase behavioural intentions, loyalty CH satisfaction responses
Data Reduction	Factor Analysis	Metric data	CH experience attributes, purchase behaviour and advocacy for host organisation
Identification of differences	Independent Means T-Tests	Independent variable is non metric and consists of two levels	Gender, vocational position, CH satisfaction responses, purchase behavioural intentions Loyalty

7.7 Factor analysis

An exploratory factor analysis was undertaken on the data obtained from the questionnaire. Factor analysis is a data reduction technique related to defining the underlying structure among variables in the analysis. Factor analysis provides the researcher with a method to analyse the interrelationships (correlations) among a large number of variables thereby allowing the grouping of factors that represent the underlying dimensions in the data. This stage of the analysis seeks to examine areas related to a guest's CH experience and involves understanding the importance and relationship of elements that exist prior to and after an invitation has been accepted.

The Kaiser-Meyer-Olkin (de Vaus 2002, p.137) measure of sampling adequacy where values must exceed .50 for both the overall test and the individual variable as well as Bartlett's test of sphericity (sig.> .05) indicate the appropriateness of the factor analysis for these data. The interpretative guide established by Kaiser (cited in de Vaus 2002, p.137) has been used for this analysis outlined in Table 7.21. Both the Kaiser Meyer Olkin measure of sampling adequacy and Bartlett's test of sphericity are the principle tests used in quantitative research “to determine the factorability of the matrix as a whole” (Coakes, Steed & Price 2008, p.123).

Table 7.23 *Guidelines for interpreting the magnitude of KMO values*

KMO Value	Interpretation
0.90+	Marvellous
0.80-0.89	Meritorious
0.70-0.79	Middling
0.60-0.69	Mediocre
0.50-0.59	Miserable
Less than 0.50	Unacceptable

Source: Kaiser (1974) cited in de Vaus (2002, p. 137)

Although the factor analysis produced 6 factors with eigen values that were greater than one which accounted for 70% of the variance (see Table 7.24), there were two factors that dominated. These factors related to CH Attributes (those elements that contributed to the CH experience) and this accounted for 33.08% of the variance and the second factor, Hospitability, defined as the hosting capability of the host organisation that accounted for 12.92% of the variance. There were, as outlined in the methodology, several aims of the research and examining and identifying elements that contribute to the CH experience was considered important to better understand the phenomenon. The examination of each of the factors follows in this section with discussion related to the importance of each of them in the context of this research.

The exploratory factor analysis that was conducted from the data (Table 7.24) contains six factors; these are listed below and discussed in detail in the following section.

Table 7.24 Exploratory factor analysis

Factors	**Factor Loading**	**Eigen Value**	**Variance Explained (%)**	**Reliability Co-efficient**
Tangible CH Attributes		**9.59**	**33.08**	**0.87**
Variety of flavoursome food	**.84**			
Efficient and friendly venue and event service staff	**.81**			
Good presentation of the food served	**.81**			
That the host organisation is welcoming	**.71**			
The range of wines and beers are of a high standard	**.67**			
The social interaction with other guests	**.60**			
That car parking is provided	**.60**			
Hospitability		**3.74**	**12.92**	**0.94**
Hosts were engaging	**.87**			
Hosts were courteous	**.86**			
Hosts were hospitable	**.86**			
Hosts were friendly	**.85**			
Networking		**2.35**	**8.11**	**0.89**
Networking at these events is important to me	**.84**			
Meeting new people at events such as these	**.81**			
The opportunity provided to gain market intelligence	**.79**			
The opportunity to learn of new job or business opportunities	**.73**			
The chance to network and gain market intelligence	**.51**			
Reason for Attendance		**1.81**	**6.25**	**0.78**
I won the invitation as part of a prize	**.87**			
The invited party could not attend, I received the invite by default	**.85**			
I am a staff member of the host organisation	**.67**			
I am a friend of the host	**.59**			
The opportunity of a social occasion with my partner	**.53**			
Expectations		**1.51**	**5.22**	**0.79**
The prestige and exclusivity of the opportunity to attend	**.83**			
The interest in the event itself	**.70**			
The venue its services and facilities	**.64**			
Past Corporate hospitality experiences	**.53**			
The likely quality of the food and beverage	**.52**			
Commercial Interpersonal Relationship		**1.27**	**4.39**	**0.82**
Past business transactions with the host organisation	**.87**			
Potential to do business with the host organisation	**.83**			
The history with the host/host organisation	**.71**			
Total Variance Explained			**70%**	

7.7.1 Factor 1: Tangible corporate hospitality attributes

The tangible attributes that contribute to a CH experience explained 33.08% of the variance, held an Eigen value of 9.59 and reliability co-efficient of 0.87. Those elements that contributed to the tangible attributes can primarily be grouped into four key themes. These are food and beverage, the venue facilities and service (including car parking and service staff), the welcome on arrival and the social interaction with other guests. Both food and service issues identified in Table 7.24 recorded high face validity with KMO values of 0.84 for 'variety of flavoursome food', 0.81 for 'good variety of food' and 0.81 for efficient and friendly service staff'. Regardless of the type of event offered, each attribute will play a significant role contributing to guest satisfaction or dissatisfaction with their attendance. Therefore, these attributes derived from the offering to guests across a range of different CH events have a bearing on guest attitudes and behaviour.

Food and beverage is considered an important theme in relation to CH attributes. That the host organisation had offered a variety of flavoursome food was uppermost in guests mind along with a range of beverages that included wines and beers of a high standard. The research has indicated that the CH guest will form a view about their experience based on the interaction between themselves and venue service staff, the opportunity for socialisation and interaction with the host and other guests. The importance of the host organisation in creating the right environment starts with the welcome that guests receive on arrival. That the host organisation is welcoming of a guest and their partner was cited by respondents as a tangible element that contributes to a CH experience.

7.7.2 Factor 2: Hospitability

The term CH as elaborated upon earlier in this thesis involves hospitality conferred by a host to a guest within a commercial setting. From the exploratory factor analysis this factor accounted for 12.92% of the variance, held an Eigen value of 3.74 and a high reliability co-efficient of 0.94. In the case of CH in the definition used within this thesis, it is a social and psychological exchange that is sought by the host organisation through engagement with the host. This is related to the fact that invitations are extended to the guest to attend the event free of charge so a non monetary exchange is sought. Hospitability defined within the context of this research is the hosting capability that is on display to guests through the experience that they consume as a result of attending CH at a special event. Hospitability cannot be framed in one single element but in a range of different ways in the analysis. Factors where hosts were engaging, courteous, hospitable and friendly all had high face validity within the analysis with KMO values above 0.85 (Table 7.24).

7.7.3 Factor 3: Networking

Contact between those within commercial interpersonal relationships is not only desirable but necessary for those relationships to flourish. This third factor explained 8.11% of the variance and recorded an Eigen value of 2.35 and a reliability co-efficient of 0.89. This research found that networking was a major consideration of attendance. In the factor analysis recorded in Table 7.24, the KMO values of 0.84 for ‘networking at these events’ and ‘meeting new people at these events’ 0.81 show high face validity and underpin this factor. The importance is in nurturing commercial interpersonal relationships and this was demonstrated as a prerequisite for most information and business exchanges in research cited by Björkman & Kock (1995). Relationships that can exist within the bounds of CH are not only the interpersonal relationships between the hosts and guests but those that exist or can be formed between the invited guests. The research found that opportunities for networking and gaining market intelligence regarding competitors or potential business or job opportunities were significant motivators in the attendance at CH events.

7.7.4 Factor 4: Reason for attendance

Reason for attendance accounts for 6.25% of the variance and recorded an Eigen value of 1.81 and reliability coefficient of 0.78. In some instances the opportunity to attend a CH event may not be on the basis of it being extended by a host organisation to supplier or customer. In some instances, organisations may use the opportunity to attend CH at special events as a prize. Whether a prize is offered for promotions internally (staff) or externally (suppliers and customers), attendance at such events may be a result of good fortune or for the achievement of preordained targets. Such invitations and resultant guest expectations must therefore be examined through the lens of the reason by which an invitation was granted. Both ‘I won the invitation as a prize’ and ‘the invited party could not attend, I received the invite by default’ both recorded high face validity with KMO values of 0.87 and 0.85 respectively (Table 7.24). Where the reason for attendance is an invitation received by default, could in itself, signal the lack of interest or availability of the primary targeted invitee, hence the transfer to a third party. This invitation therefore, may be redirected toward a fellow manager or employee of the targeted guest’s company or a staff member of the host. The opportunity to be invited may be extended to a staff member on the proviso that they are prepared to host guests at an event. Whether the invitation has been offered strategically as a reward with no hosting responsibilities, or tactically, with a business improvement objective may result in different expectations and resultant experiences for the staff involved. If the invitation has been a last minute gesture based on the cancellation of an invited guest this may affect the staff member’s perceptions of the experience. Therefore, receiving an invitation to the event due to being a staff member of a host organisation may create a sense of excitement and expectation as well as one of feeling valued. This enthusiasm may be tempered if little notice is given or an expectation to host for long hours on a day or night that they are not usually scheduled to work. Regardless, when the opportunity for attendance within a CH facility at a special event has arisen, research indicates that respondents have usually grasped it.

7.7.5 Factor 5: Expectations

A guest has a range of expectations relating to their attendance of CH at a special event. Expectations accounted for 5.22% of the variance with an Eigen value of 1.51 and reliability coefficient of 0.79. These expectations about the CH event held by the respondents include the ‘prestige and exclusivity of the event’ recording high face validity with a KMO value of 0.83, the likely quality of food and beverage to be served, the venue itself, along with any perceptions or memories forged through prior knowledge of the same or similar events. Expectations regarding attendance at the event can be influenced by whether a pre-existing relationship with the host exists. Such familiarity can predetermine the welcome and attention that is likely to be paid to the guest whereas a relatively new customer to the host organisation may be more apprehensive in accepting an invitation to a corporate social event due to a lack of familiarity. The factors extracted had a high face validity and based on the calculation of Cronbach's alpha could only be slightly improved by the removal of 'the chance for networking and gain market intelligence' as this had been covered by individual questions regarding each item separately.

7.7.6 Factor 6: Commercial interpersonal relationship

The commercial interpersonal relationship (CIR) discussed previously in this research exists between the host organisation and the guest. The factor accounted for 4.39% of the variance and recorded an Eigen value of 1.27, and a reliability coefficient of 0.82. The commercial interpersonal relationship is at the foundation of the custom or commerce between the business and its customer. Therefore, testing attitudes and behaviour within these relationships between actors in B2B markets is considered a focus of this research. One objective identified by executives who run CH programs as a desired outcome in the first phase of this research is to establish, nurture and improve these relationships. The relationships primarily exist through continued custom. The importance of the relationship that exists is verified in the results of Table 7.24 with 'past business transactions with the host organisation' recording a KMO value of 0.87 and 'the potential to do business with the host organisation' recording a KMO value of 0.83.

7.7.7 Summary of factor analysis

An exploratory factor analysis was conducted with the quantitative data as a component of the statistical analysis. These results were tabulated by the computer program SPSS and the results have been reported in Table 7.24. The factor analysis produced 6 factors that accounted for 70% of the variance. Among these factors two dominated, accounting for 33.08% and 12.92% respectively and these were, tangible

CH attributes and hospitability. The factors identified in this analysis add support to the conceptual model presented in Figure 8.1.

7.8 Demographics: results and discussion

The research question for hypotheses 3a to 3f was:

> Are there significant relationships between demographic variables and the loyalty to host organisation responses in the context of CH attendance at special events?

Table 7.25 summarises the results of the testing of the hypotheses relating to this research question. The results that were found in relation to these hypotheses are subsequently discussed.

Table 7.25 *Are there differences in loyalty to host organisation based on demographics?*

Demographic variable	X^2	**df**	**Sig.**
Age (10 groups)	6.798	9	0.65
Industry type (11 groups)	17.735	10	0.06
Purchasing responsibility (Y/N)	1.128	1	0.28
Level of signatory purchase rights (5groups)	5.323	4	0.25
Years in present role (4 groups)	3.191	3	0.36
Gender (M/F)	1.053	1	0.30

indicates significant difference when $\alpha = 0.05$

The results of tests of six variables relating to demographic characteristics of invited guests attending CH at special events were tested and are recorded in Table 7.25. Of the six variables tested, there exist no significant differences in tests of loyalty to the host organisation based on the range of demographic variables presented.

Using the approach previously described to the assessment of the hypotheses (Chapter 5) <u>the hypotheses 3a to 3f were rejected</u>.

The research question for hypotheses 4a to 4f was:

> Are there significant relationships between demographic variables and the purchase intention responses in the context of CH attendance at special events?

Table 7.26 summarises the results of the testing of the hypotheses relating to this research question. The results that were found in relation to these hypotheses are subsequently discussed.

Table 7.26 *Are there differences in purchase intention based on demographics?*

Demographic variable	**X^2**	**df**	**Sig.**
Age (10 groups)	8.905	9	0.44
Industry type (11 groups)	7.172	10	0.17
Purchasing responsibility (Y/N)	2.428	1	0.02*
Level of signatory purchase rights (5groups)	10.437	4	0.054
Years in present role (4 groups)	7.641	3	0.39
Gender (M/F)	0.376	1	0.03*

* indicates significant difference when $\alpha = 0.05$

Tests of six variables relating to demographic characteristics of invited guests attending CH at special events were undertaken. Of the six variables tested there existed significant differences in two demographic variables. The variables for which there were significant differences were: **purchasing responsibility** and **gender.** The test recorded in Table 7.26 regarding level of signatory rights is at the margin recording 0.054 and has been rejected. In assessing the results in detail, the adjusted residual for the underlying test is 2.1 for the signatory rights (purchasing power) of recipients of CH that held purchasing rights between $5,000 – $25, 000 suggests that if a difference were to occur it would be in the middle range of purchasing responsibility. Using the approach previously described for assessment of the hypotheses (Chapter 5) <u>the hypotheses 4c and 4f were accepted.</u>

The significant differences of both loyalty to host organisation and purchase intention are summarised in Table 7.27.

Table 7.27 The summary of significant differences

Demographic variable	**Loyalty to host organisation** **Sig.**	**Purchase intention** **Sig.**
Age (10 groups)	0.65	0.44
Industry type (11 groups)	0.06	0.17
Purchasing responsibility (Y/N)	0.28	0.02*
Level of signatory purchase rights (5groups)	0.25	0.054
Years in present role (4 groups)	0.36	0.39
Gender (M/F)	0.30	0.03*

* indicates significant difference when $\alpha = 0.05$

Of the other four demographic variables tested based on purchase intention, no significant differences were found. These variables were the invited guest's **age**, the **industry** in which they were employed, the **signatory rights** and the number of **years** that they had served **in their present role**. Using the approach previously described for assessment of the hypotheses (Chapter 5), <u>the hypotheses 4a, 4b, 4d and 4e were rejected.</u>

7.9 t Tests – Loyalty to host

To determine the extent of group differences in overall opinion using the interval scaled loyalty variable (Question 16.2, 'I feel a greater sense of loyalty to the host organisation'), this variable was recoded (from being scored on a Likert scale) into a new dichotomous variable, split according to the median score. The collapsed variable was then used as a grouping variable for comparing sample means of the dependent variable.

7.9.1 Loyalty to host organisation – invitation to attend

Table 7.28 Independent means t test – Loyalty to host and the invitation to attend

Section	Variable	M	SD	df	t
Invitation to attend CH event					
	The potential I hold to do business with host – Below Median	**4.45**	**1.70**	**196**	**-4.25**
	The potential I hold to do business with host – Above Median	**5.42**	**1.38**		
	Past transactions with the host – Below Median	**4.69**	**1.60**	**199**	**-3.51***
	Past transactions with the host – Above Median	**5.46**	**1.39**		
	A reward for my organisations loyalty – Below Median	**4.27**	**1.63**	**199**	**-5.14***
	A reward for my organisations loyalty – Above Median	**5.40**	**1.37**		
	I am a friend of the host – Below Median	**3.18**	**1.81**	**1.89**	**-2.34***
	I am a friend of the host – Above Median	**3.82**	**1.75**		
	Invited by default – Below Median	**2.23**	**1.78**	**114.37**	**-1.11***
	Invited by default – Above Median	**2.55**	**1.80**		
	Invited through promotion win – Below Median	**1.80**	**1.47**	**164**	**-2.59**
	Invited through promotion win – Above Median	**2.59**	**1.99**		
	Staff member of host organisation – Below Median	**2.44**	**1.92**	**173**	**-3.36**
	Staff member of host organisation – Above Median	**3.57**	**2.15**		

*** p<.05**

The findings of the comparative analysis highlight the potential variations in respondent loyalty to the host organisation and are presented in Table 7.28. A discussion of the significant findings from the *t* tests follow. Respondents who were above the median score on the loyalty variable had statistically significant scores on the past transactions variable indicating that they were more likely to have purchased from the host organisation prior to being invited to attend the event. Respondents who were over the median score on the loyalty variable had statistically significant scores on the reward for loyalty variable that supports the contention that existing loyalty has been acknowledged through the reward of an invitation to attend CH. Those respondents that were above the median score on the loyalty variable had statistically significant scores on being invited to attend an event through default. It is the contention of the researcher that these individuals may be either employees or alternatively the type of customer who is unfazed through receiving a transferable invitation. It is possible that both groups could potentially be upset at not being given first rights to the invitation to attend, however, the contention of the researcher is that the pleasant surprise of attendance by any means is the likely reason why it does not undermine the respondents' loyalty to the host organisation.

7.9.2 Loyalty to host organisation – Acceptance to attend

Table 7.29 Independent means t test – Loyalty to host and acceptance to attend

Acceptance to attend		M	SD	df	t
	Interest in the event itself – Below Median	5.22	1.52	204	-2.57*
	Interest in the event itself- Above Median	5.74	1.27		
	Prestige & exclusivity –Below Median	4.12	1.59	202	-3.66*
	Prestige & exclusivity- Above Median	4.95	1.49		
	Quality of Food and Beverage- Below Median	4.06	1.56	203	-3.80
	Quality of Food and Beverage- Above Median	4.90	1.45		
	History and relationship with host- Below Median	4.87	1.62	202	-5.06
	History and relationship with host- Above Median	5.84	1.08		
	Chance for networking- Below Median	4.96	1.58	201	-3.77
	Chance for networking- Above Median	5.68	1.11		
	The venue- Below Median	4.24	1.71	201	-4.32
	The venue- Above Median	5.19	1.36		
	Social occasion with partner- Below Median	3.19	1.88	175	-4.04*
	Social occasion with partner- Above Median	4.41	1.91		
	Past experience of this event or one like it- Below Median	4.02	1.60	199	-5.92*
	Past experience of this event or one like it – Above Median	5.27	1.30		

*** p<.05**

Table 7.29 compares a series of t tests that were conducted to find out whether there were any statistically significant differences between guests' reasons to attend a CH event and their loyalty to the host organisation. The *t* tests indicated statistically significant differences in four of the eight reasons that respondents cited as reasons for attendance at CH events. Where these scores were above the median on the loyalty variable they recorded statistically higher scores on the interest in the event itself variable, the prestige or exclusivity of the event, the opportunity for a social occasion with a partner and their past experience of this event or one like it.

These results indicate that respondents were more likely to reward the host organisation with their loyalty based on their interest in the event and its exclusivity, past experiences of that particular event or similar events and the social occasion extended to them and their partner.

7.9.3 Loyalty to host organisation –The corporate hospitality experience

Table 7.30 Independent means t test – Loyalty to host and the corporate hospitality experience

CH experience	Variable	M	SD	df	t
	Presentation of Food- Below Median	4.65	1.37	204	-3.18
	Presentation of Food- Above Median	5.23	1.13		
	Variety of Food – Below Median	4.72	1.42	204	-3.26
	Variety of Food – Above Median	5.32	1.13		
	Wines and Beers of good standard – Below Median	4.25	1.84	204	-3.79
	Wines and Beers of good standard – Above Median	5.12	1.38		
	Friendly and Efficient service staff – Below Median	5.13	1.44	204	-2.38
	Friendly and Efficient service staff – Above Median	5.55	1.06		
	Provision of complimentary car parking	4.41	1.50	204	-2.15*
	Provision of complimentary car parking	4.93	1.30		
	Welcoming of Guest and Partner by Host – Below Median	4.78	1.43	204	-3.52*
	Welcoming of Guest and Partner by Host – Above Median	5.50	1.09		
	Social interaction with other guests – Below Median	4.88	1.75	204	-4.18
	Social interaction with other guests – Above Median	5.64	1.72		
	Event is held outside normal business hours – Below Median	3.77	1.74	204	-3.37*
	Event is held outside normal business hours – Above Median	4.64	1.61		

*** $p<.05$**

Table 7.30 compares a series of t-tests that were conducted to find out whether there were statistically significant differences between elements of a CH experience and guest loyalty to the host organisation. The *t*-tests indicated statistically significant differences in three of the eight elements contributing to a CH experience. Where the results were above the median on the loyalty variable they recorded higher scores on the access to complimentary parking, the welcome that they received from the host and the event being held outside normal business hours.

7.9.4 Loyalty to host organisation – Performance of the host

Table 7.31 Independent means t test – Loyalty to host and host performance

Performance of the host	Variable	M	SD	df	t
	Friendly – Below Median	**5.32**	**1.10**	**204**	**-4.79***
	Friendly- Above Median	**6.00**	**.88**		
	Hospitable- Below Median	**5.28**	**1.12**	**204**	**-4.78**
	Hospitable – Above Median	**5.96**	**.87**		
	Courteous – Below Median	**5.43**	**.99**	**204**	**-3.63***
	Courteous – Above Median	**5.95**	**.94**		
	Engaging- Below Median	**4.94**	**1.37**	**204**	**-4.77**
	Engaging – Above Median	**5.75**	**1.02**		

*** $p<.05$**

Table 7.31 compares a series of t – tests that were conducted to find out whether there were any statistically significant differences between the hospitality of the host at the event and guest loyalty to the host organisation. From the variables that were above the median on the loyalty variable recorded statistically significant scores when the host exhibited friendly and courteous characteristics.

7.9.5 Loyalty to host organisation – Role of networking

Table 7.32 *Independent means t test – Loyalty to host and the role of networking*

Role of Networking	Variable	M	SD	df	t
	Important to meet new people	4.38	1.48	204	-4.52*
	Important to meet new people	5.28	1.27		
	Networking at events is important	4.74	1.43	204	-3.51*
	Networking at events is important	5.40	1.19		
	Gaining market intelligence	4.48	1.31	204	-4.19*
	Gaining market intelligence	5.31	1.34		
	Gaining new job or business opportunities	4.39	1.58	204	-3.25*
	Gaining new job or business opportunities	5.10	1.42		

*** p<.05**

Table 7.32 compares a series of t – tests that were conducted to find out whether there were any statistically significant differences between the role of networking and guest loyalty to the host organisation. The results indicated that from the variables that were above the median on the loyalty variable recorded statistically significant scores across all variables associated with networking at the event, which included gaining new business or job opportunities, gaining market intelligence, networking and meeting new people. These results underscore the importance of networking.

7.9.6 Loyalty to host organisation- Perception of obligation and host

Table 7.33 *Independent means t test – Loyalty to host and guest perception of obligation*

Perception of obligation	Variable	M	SD	df	t
	Obligation based on attendance of event- Below Median	3.65	1.29	204	-6.03*
	Obligation based on acceptance of event – Above Median	4.84	1.35		

*** p<.05**

Table 7.33 compares a t-test conducted to find out whether there were any statistically significant differences between guest perceptions of obligation to the host and loyalty to the host organisation. The results show that there were statistical significant differences on this variable.

Table 7.34 Independent means t test – Loyalty to host and perception of relationship with host post CH

Perception of relationship with Host Organisation post CH event	Variable	M	SD	df	t
	A stronger bond to host – Below Median	**3.65**	**1.21**	**204**	**-13.99**
	A stronger bond to host – Above Median	**5.65**	**.81**		
	A stronger relationship – Below Median	**3.43**	**1.21**	**203**	**-12.15**
	A stronger relationship – Above Median	**5.35**	**.97**		
	Advocacy for the host organisation – Below Median	**3.99**	**1.37**	**203**	**-9.07***
	Advocacy for the host organisation – Above Median	**5.50**	**.98**		
	I intend to increase purchases from host – Below Median	**3.29**	**1.45**	**204**	**-7.01***
	I intend to increase purchases from host– Above Median	**4.77**	**1.41**		
	I will decrease purchases from host –Below Median	**2.44**	**1.50**	**193**	**-1.36**
	I will decrease purchases from host – Above Median	**2.79**	**1.76**		
	It makes no difference to my purchases – Below Median	**4.77**	**1.95**	**187**	**.484**
	It makes no difference to my purchases – Above Median	**4.63**	**1.77**		
	Knowledge of host products and services – Below Median	**4.51**	**1.71**	**200**	**-3.19***
	Knowledge of host products and services – Above Median	**5.24**	**1.45**		
	Host empathy to my business – Below Median	**4.62**	**1.51**	**196**	**-5.29**
	Host empathy to my business – Above Median	**5.59**	**1.03**		
	Host interest in our business success – Below Median	**4.48**	**1.37**	**196**	**-6.54**
	Host interest in our business success – Above Median	**5.64**	**1.06**		

*** p<.05**

Table 7.34 compares a series of *t* – tests that were conducted to find out whether there were any statistically significant differences between the relationship toward the host organisation after attending the CH event and guest loyalty to the host organisation. Of the nine variables tested, three variables were found to have statistically significant differences. These included advocacy for the host organisation, knowledge of products and services and intention to increase purchases.

7.10 t– Tests – Purchase intention

To determine the extent of group differences in overall opinion using the interval scaled purchase intention variable (Question 16.5), this variable was recoded (from being scored on a Likert scale) into a new variable and split according to the median score. The collapsed variable was then used as the grouping variable for comparing sample means of the dependent variable.

Table 7.35 *Independent means t test – Purchase intention and the invitation to attend*

Invitation to attend CH event	Variable	M	SD	df	*t*
	The potential I hold to do business with host – Below Median	4.60	1.60	190	-5.06
	The potential I hold to do business with host – Above Median	5.68	1.31		
	Past transactions with the host – Below Median	4.75	1.59	192	-4.47
	Past transactions with the host – Above Median	5.22	1.26		
	A reward for my organisations loyalty – Below Median	4.53	1.64	192	-5.11
	A reward for my organisations loyalty – Above Median	5.60	1.20		
	I am a friend of the host – Below Median	3.31	1.66	185	-2.44*
	I am a friend of the host – Above Median	3.93	1.82		
	Invited by default – Below Median	1.91	1.36	161	-4.04
	Invited by default – Above Median	2.96	1.93		
	Invited through promotion win – Below Median	1.66	1.23	161	-5.10
	Invited through promotion win – Above Median	3.05	2.16		

Table 7.35 displays the results of the t – tests that relate to the invitation extended to attend the CH event. Respondents who were above the median score on the purchase intention variable had statistically significant scores on being a friend of the host indicating that they were more likely to have an existing relationship with the host and that would be reflected in their purchase intentions.

Table 7.36 Independent means t test – Purchase intention and the acceptance of participation

Acceptance of participation	**Variable**	**<u>M</u>**	**<u>SD</u>**	**<u>df</u>**	***<u>t</u>***
	Interest in the event itself – Below Median	**5.37**	**1.44**	**195**	**-2.08***
	Interest in the event itself- Above Median	**5.78**	**1.28**		
	Prestige & exclusivity –Below Median	**4.21**	**1.53**	**194**	**-4.63***
	Prestige & exclusivity- Above Median	**5.18**	**1.38**		
	Quality of Food and Beverage- Below Median	**4.13**	**1.58**	**194**	**-4.96**
	Quality of Food and Beverage- Above Median	**5.15**	**1.56**		
	History and relationship with host- Below Median	**5.24**	**1.50**	**193**	**-2.99**
	History and relationship with host- Above Median	**5.82**	**1.10**		
	Chance for networking- Below Median	**5.21**	**1.36**	**193**	**-3.08***
	Chance for networking- Above Median	**5.76**	**1.13**		
	The venue- Below Median	**4.47**	**1.63**	**194**	**-3.74**
	The venue- Above Median	**5.27**	**1.32**		
	Social occasion with partner- Below Median	**3.38**	**2.01**	**170**	**-4.00**
	Social occasion with partner- Above Median	**4.54**	**1.76**		
	Past experience of this event or one like it- Below Median	**4.55**	**1.52**	**193**	**-3.08***
	Past experience of this event or one like it – Above Median	**5.19**	**1.37**		

*** p<.05**

Table 7.36 displays the results of the t-tests that relate to acceptance of the opportunity to attend the CH event. Respondents who were above the median score on the purchase intention variable had statistically significant scores on four of the eight variables tested. Where these scores were above the median on the purchase intention variable they recorded statistically significant scores on the interest in the event itself variable, the prestige or exclusivity of the event, the chance for networking and their past experience of this event or one like it.

Table 7.37 Independent means t test – Purchase intention and the CH experience

CH experience	Variable	M	SD	df	*t*
	Presentation of Food- Below Median	**4.83**	**1.23**	**195**	**-2.55***
	Presentation of Food- Above Median	**5.29**	**1.24**		
	Variety of Food – Below Median	**4.91**	**1.31**	**195**	**-2.69***
	Variety of Food – Above Median	**5.39**	**1.17**		
	Wines and Beers of good standard – Below Median	**4.44**	**1.69**	**195**	**-4.20**
	Wines and Beers of good standard – Above Median	**5.33**	**1.23**		
	Friendly and Efficient service staff – Below Median	**5.18**	**1.30**	**195**	**-2.54***
	Friendly and Efficient service staff – Above Median	**5.62**	**1.05**		
	Provision of complimentary car parking	**4.29**	**1.76**	**195**	**-4.51**
	Provision of complimentary car parking	**5.30**	**1.30**		
	Welcoming of Guest and Partner by Host – Below Median	**5.08**	**1.47**	**195**	**-2.45***
	Welcoming of Guest and Partner by Host – Above Median	**5.54**	**1.14**		
	Social interaction with other guests – Below Median	**5.11**	**1.38**	**195**	**-3.18***
	Social interaction with other guests – Above Median	**5.67**	**1.06**		
	The event is held outside normal business hours – Below Median	**4.09**	**1.78**	**195**	**-2.60***
	The event is held outside normal business hours – Above Median	**4.73**	**1.68**		

*** p<.05**

Table 7.37 displays the results of the t- tests that focus on the variables relating to the experience of CH at an event. Respondents who were above the median score on the purchase intention variable had statistically significant scores on six of the eight variables tested. Where these scores were above the median on the purchase variable they recorded statistically significant scores on the presentation and variety of food, the friendliness and efficiency of the service staff at the venue, the welcome by hosts, the social interaction with other guests and that the event was held outside of business hours.

Table 7.38 Independent means t test – Purchase intention and the host performance

Host performance	Variable	M	SD	df	T
	Friendly – Below Median	**5.70**	**1.08**	**195**	**-.608**
	Friendly - Above Median	**5.79**	**1.02**		
	Hospitable – Below Median	**5.64**	**1.04**	**195**	**-.791**
	Hospitable – Above Median	**5.76**	**.98**		
	Courteous- Below Median	**5.67**	**1.03**	**195**	**-1.20**
	Courteous – Above Median	**5.84**	**.94**		
	Engaging – Below Median	**5.38**	**1.33**	**195**	**-1.14**
	Engaging – Above Median	**5.57**	**1.03**		

*** p<.05**

In table 7.38 the results of the t-tests indicated no statistically significant results were found in relation to host performance.

Table 7.39 Independent means t test – Purchase intention and the role of networking

Role of networking	Variable	M	SD	df	T
	Important to meet new people- Below Median	**4.70**	**1.46**	**195**	**-2.93***
	Important to meet new people – Above Median	**5.28**	**1.28**		
	Networking at events is important- Below Median	**4.95**	**1.33**	**195**	**-2.62***
	Networking at events is important- Above Median	**5.43**	**1.18**		
	Gaining market intelligence- Below Median	**4.68**	**1.38**	**195**	**-4.47***
	Gaining market intelligence- Above Median	**5.51**	**1.19**		
	Gaining new job or business opportunities- Below Median	**4.54**	**1.52**	**195**	**-3.83***
	Gaining new job or business opportunities- Above Median	**5.32**	**1.28**		

*** p<.05**

Table 7.39 compares a series of *t* – tests that were conducted to find out whether there were any statistically significant differences between the role of networking and purchase intentions. The results indicated that from the variables that were above the median on the purchase intention variable recorded statistically significant scores across all variables associated with networking at the event, these included gaining new business or job opportunities, gaining market intelligence, networking and meeting new people.

Table 7.40 *Independent means t test – Purchase intention and the perception of obligation*

Perception of obligation	**Variable**	**M**	**SD**	**df**	**t**
	Obligation based on attendance of event- Below Median	**3.89**	**1.44**	**195**	**-5.76**
	Obligation based on acceptance of event – Above Median	**5.00**	**1.22**		

In table 7.40 the results of the t-test indicated no statistically significant differences were found in relation to perception of obligation.

Table 7.41 *Independent means t test – Purchase intention and perception of relationship with host post CH*

Perception of relationship toward the Host Organisation	**Variable**	**M**	**SD**	**df**	**t**
	A stronger bond to host – Below Median	**4.49**	**1.41**	**195**	**-6.29**
	A stronger bond to host – Above Median	**5.60**	**1.00**		
	A greater sense of loyalty to Host – Below Median	**4.24**	**1.38**	**195**	**-7.16**
	A greater sense of loyalty to Host – Above Median	**5.47**	**.94**		
	A stronger relationship – Below Median	**4.26**	**1.32**	**195**	**-7.57**
	A stronger relationship – Above Median	**5.76**	**.85**		
	Advocacy for the host organisation – Below Median	**2.30**	**1.34**	**195**	**-9.29**
	Advocacy for the host organisation – Above Median	**3.06**	**1.91**		
	Knowledge of host products and services – Below Median	**5.08**	**1.77**	**192**	**-4.27**
	Knowledge of host products and services – Above Median	**4.17**	**1.76**		
	Host empathy to my business – Below Median	**4.79**	**1.38**	**190**	**-5.39**
	Host empathy to my business – Above Median	**5.73**	**.93**		
	Host interest in our business success – Below Median	**4.86**	**1.42**	**189**	**-4.15**
	Host interest in our business success – Above Median	**5.60**	**1.00**		

*** p<.05**

The findings of the comparative analysis as presented in Table 7.41 show no statistically significant differences in relation to purchase intention and perceptions of the host and obligation to attend.

7.11 Hypothesis testing - Summary of results

In this section of the chapter, the results of hypothesis testing are presented. Each hypothesis had been developed from the stated research questions identified in the research methodology identified in Chapter 5. At the nub of this research was a distinct theme and this was incorporated in the research questions that drove the study. This theme sought to examine whether organisations that employed CH in their B2B marketing communications programs could attain improvements in brand equity. For this study, the elements of brand equity, adjudged as those that practitioners sought out more often from guests were customer loyalty and increased intention to purchase from them. In many ways these concepts are linked and relationship marketing theorists Dick and Basu (1994 p. 102) argue that defining customer loyalty as the relationship between relative attitude and repeat patronage means that "researchers can investigate the phenomenon from a causal perspective leading to identification of antecedents". Further, they contend that "identification of causal antecedents likely to impact on a consumer's relative attitude-repeat patronage relationship is vital in both understanding and managing the underlying process". The following sections break down the results for the tests of these elements of brand equity in relation to the study.

7.11.1 The corporate hospitality experience

The research question for hypotheses H1(a-g) states that there are a range of dimensions (variables) that influence a guest's CH experience.

Hypothesis 1. (H1)

A number of different elements influence a guest's experience of corporate hospitality

Table 7.42 Hypothesis results H1 (a-g)

Hypothesis	Relative importance of ….	Result
H1.	A number of elements influence a guest's experience of CH	Accepted
H1 (a)	The event itself influences the guest experience of CH	Partially accepted
H1 (b)	The opportunity for networking influences the guest experience of CH	Accepted
H1 (c)	The venue, service and facilities influence the guest experience of CH	Accepted
H1 (d)	The food and beverage served influence the guest experience of CH	Accepted
H1 (e	The hospitability of the host influence the guest experience of CH	Accepted
H1 (f)	Past experiences of CH influence the guest experience of CH	Accepted
H1 (g)	The pre-existing relationship to the hosting organisation influence the guest experience of CH	Partially accepted

7.11.2 Hypotheses tests of CH on elements of brand equity

Hypothesis 2. (H2)

H2. Corporate hospitality has a positive effect on elements of brand equity.

H2 (a) Corporate hospitality at special events increases the customer loyalty of guests to the host organisation.

H2 (b) Corporate hospitality at special events increases the intention to purchase by guests from the host organisation.

Table 7.43 Hypothesis results H2 (a-b)

Hypothesis	Element of brand equity	Result
H2	Corporate hospitality has a positive effect on elements of brand equity	Partially accepted
H2 (a)	Guest loyalty to host organisation	Accepted
H2 (b)	Guest intention to purchase from host organisation	Partially accepted

7.11.3 Brand equity – Test of guest demographic variables on loyalty to host organisation

Hypothesis 3. (H3)

H3. There are significant relationships between demographic variable and the loyalty toward a host organisation in the context of corporate hospitality attendance at special events.

H3 (a) There are significant relationships between the age of the invited guest and the loyalty toward a host organisation in the context of corporate hospitality attendance at special events.

H3 (b) There are significant relationships between the industry of the invited guest and the loyalty toward a host organisation in the context of corporate hospitality attendance at special events.

H3. (c) There are significant relationships between the purchasing responsibility of the invited guest and the loyalty toward a host organisation in the context of corporate hospitality attendance at special events.

H3. (d) There are significant relationships between the level of signatory rights of the invited guest and the loyalty toward a host organisation in the context of corporate hospitality attendance at special events.

H3. (e) There are significant relationships between the length of service in the present role of the invited guest and the loyalty toward a host organisation in the context of corporate hospitality attendance at special events.

H3. (f) There are significant relationships between the gender of the invited guest and the loyalty toward a host organisation in the context of corporate hospitality attendance at special events.

Table 7.44 Hypothesis results H3 (a-f)

Hypothesis	**Relative importance of ….**	**Result**
H3.	There are significant relationships between demographic variables and the loyalty toward a host organisation in the context of corporate hospitality attendance at special events	Rejected
H3 (a)	Age of invited guest	Rejected
H3 (b)	Industry employed within	Rejected
H3 (c)	Purchasing responsibility	Rejected
H3 (d)	Level of purchasing signatory rights	Rejected
H3 (e)	Years employed in present role	Rejected
H3 (f)	Gender	Rejected

7.11.4 Brand equity – Test of guest demographic variables on purchase intention to host organisation

Hypothesis 4. (H4)

H4. There are significant relationships between demographic variable and the purchase intention toward a host organisation in the context of corporate hospitality attendance at special events.

H4 (a) There are significant relationships between the age of the invited guest and the purchase intention toward a host organisation in the context of corporate hospitality attendance at special events.

H4 (b) There are significant relationships between the industry of the invited guest and the purchase intention toward a host organisation in the context of corporate hospitality attendance at special events.

H4. (c) There are significant relationships between the purchasing responsibility of the invited guest and the purchase intention toward a host organisation in the context of corporate hospitality attendance at special events.

H4. (d) There are significant relationships between the level of signatory rights of the invited guest and the purchase intention toward a host organisation in the context of corporate hospitality attendance at special events.

H4. (e) There are significant relationships between the length of service in the present role of the invited guest and the purchase intention toward a host organisation in the context of corporate hospitality attendance at special events.

H4. (f) There are significant relationships between the gender of the invited guest and the purchase intention toward a host organisation in the context of corporate hospitality attendance at special events.

Table 7.45 Hypothesis results H4 (a-f)

Hypothesis	**Relative importance of ….**	**Result**
H4.	There are significant relationships between demographic variables and the purchase intention in the context of corporate hospitality attendance at special events	Partially accepted
H4 (a)	Age of invited guest	Rejected
H4 (b)	Industry employed within	Rejected
H4 (c)	Purchasing responsibility	Accepted
H4 (d)	Level of purchasing signatory rights	Rejected
H4 (e)	Years employed in present role	Rejected
H4 (f)	Gender	Accepted

7.11.5 Discussion of hypotheses results

The CH experience can be discussed as a range of elements that are present at a particular place at a particular time. The guest experience is influenced by a range of elements that have been identified in this research. The findings recorded in Table 7.42 found that some elements are considered more critical in developing a positive experience for guests than others. This knowledge is important as it indicates the way that practitioners (both host organisations and venues) can improve their offering through careful attention to each one of them.

In discussing the central tenet of the thesis, the influence of CH attendance on elements of a host organisation's brand equity it is important to convey that different findings were made on the different elements tested.

This study found that CH guests felt a stronger sense of loyalty to the host organisation as a result of attendance at such events (H2 a). The research found that guests were more likely to speak positively about the organisation WoM to peers or colleagues; thus the role of advocacy for the host has been established. In addition, a stronger bond to the host organisation between the two parties was recorded and guests responded that they felt that their relationship had become closer since attending. This is an important finding as it reaffirms the anecdotal evidence that was given by practitioners in the qualitative stage of the research and to a certain extent may be significant enough to justify the practice more widely. In assessing the individual demographics of the sample of invited guests, the research question for the hypotheses H3(a-f) sought to identify whether there were significant relationships between demographic variables and the loyalty to the host organisation. The results indicate that there are not statistically significant relationships between demographic variables and loyalty toward the host organisation and these are presented in the results of Table 7.44.

The second element of brand equity that was tested in the research was purchase intention. Results recorded in Table 7.45 indicated that guest purchasing intention would either increase very slightly or more often were likely to stay at current levels. Therefore, there was little evidence to support the contention that CH in itself could boost company revenues through driving purchase behaviour in any meaningful way but in some instances it may positively alter it. This issue is discussed more fully in the following chapter. As was the case in the preceding discussion regarding customer loyalty, a range of demographic variables were tested to understand whether significant relationships existed between these variables and the purchase intention of guests in the context of their receipt of CH at special events.

In terms of providing a response to the research question posed for this group of hypotheses (H4 a-f), the results indicate that there are some significant relationships between demographic variables and purchase intention of guests attending CH. As can be seen in Table 7.26, gender and purchasing responsibility of guests provided the greatest levels of significant difference with a third element tested, signatory rights of the guests, officially rejected by the narrowest of margins based on the threshold for statistical significance. In terms of gender, male recipients of CH recorded a higher purchase intention. These results indicate that the construct of a ‘boys club’ within CH at special events where continued purchases and closer relationships ensure a continued welcome may be a reality. Conversely, female executives in the same circumstances are not as easily persuaded to increase purchase intentions toward their host organisation.

The role of purchasing rights, identified in the research as those that have organisational responsibility for purchases was tested. Those surveyed who held such rights are more likely to purchase from a host organisation than those who do not have such rights. These results are not unexpected because it follows that should purchase intentions change, only those with the rights to purchase will be able to do so.

In summary, the study, through the research questions posed sought to test two assumptions of the practice of CH. Firstly, it sought to understand whether a range of elements existed that influenced the guest experience of CH at special events. Through a range of statistical techniques it was found that the elements identified in the conceptual model were shown to exist in influencing the guest experience. The second and most important role of the research was to examine whether the role of CH could have a positive influence in improving brand equity for the organisations that employed it within their marketing programs. Thus the two principle brand elements that were tested in the research were customer loyalty and purchase intention.

The research found that CH had a positive effect on customer loyalty. Further tests to understand if the improvement in customer loyalty varied between guests resulted in the testing of a range of guest demographic variables. The results found that there were no significant variations related to demographics in the sample of guests surveyed in these tests of customer loyalty.

The second element of brand equity tested in this research was the purchase intention of guests and whether the intention to purchase from the host organisation was subject to change after attendance of CH at a special event. The results showed that there was a very slight improvement toward increasing purchases toward the host organisation. It was easier to state emphatically that there would be no detrimental effect on purchase intention as a result of attendance as the intention to increase transactions or custom with the host was marginal. Such a small variation in this measure could be explained by the inability for a B2B customer who is already loyal to the host organisation to increase their purchasing to that firm. If 100% of the guest's organisations buying needs are being met by the host in that loyal relationship, the opportunity to increase purchases would only occur through a lift in business activity and that is difficult to forecast with any certainty. Therefore, this second measure of brand equity, purchase intention, can only be partially accepted through this research.

CHAPTER 8: CONCLUSION

8. Introduction

This chapter concludes the research undertaken into CH. The study commenced with a review of the literature related to special events and relationship marketing. This was undertaken to determine to what extent research gaps existed. The results of the literature review revealed that CH in an important global business phenomenon that generates economic activity in the hundreds of millions of dollars in Australia and in excess of AUD$2B worldwide each year. Although substantial research has been conducted into special events often assessing their social and economic impact, little is known regarding the leverage of special events by the corporate sector. This study sought to correct the imbalance, exploring the practice of CH used by organisations most often in a special event setting. The results of the literature review directed the focus and context of the study set within B2B or industrial markets. To distil the aim further, the research sought to test the efficacy of CH in its role as a B2B marketing element. Further, it was to determine whether a model could be developed that demonstrated the way in which it influenced guest attitude and behaviour.

Before an understanding of whether employing CH in such relationship marketing programs could be deemed successful in building brand equity, a clearer understanding of the CH experience was required. The hypothesised model presented incorporated not only the constituent parts of a CH experience but also how that experience could be tested through a hierarchy of effects (Lavidge & Steiner 1961). Principle effects sought for the study were changes in guest attitudes towards the host and consequent change of purchasing behaviour. The study comprised a mixed methods approach that used qualitative methods initially through interviewing CH practitioners followed by a quantitative study of 206 survey respondents (guests) who attended CH at special events. This chapter presents the conclusions that are drawn from this study and is comprised of several sections as follows. In section 8.1, conclusions that stem from the analysis of the body of special event and marketing literature are provided. Although it could be argued that some parts have been covered through the literature review contained in chapters two and three, this section of the chapter integrates this study within the context of past research. Section 8.2 discusses the implications for stakeholders that were found in relation to the primary research questions. Section 8.3 discusses the wider implications that the findings hold for academic application. In Section 8.4, the hypothesised model and modifications that were required to be made to the model are presented. In Section 8.5, the limitations for the research are acknowledged and recommendations for future research are discussed in Section 8.6. This chapter concludes with a summary of the study in Section 8.7.

8.1 Literature review in context of corporate hospitality

With the relatively new concept of relationship marketing (Gummesson 2001, Peppers & Rogers 2001, Gronroos, 2000) being applied by businesses aiming to forge closer and more long standing relationships with their customers, CH is viewed in the context of an engagement practice. Day (2000) argues that businesses looking for a sustainable competitive advantage need to invest in these long term relationships with their customers. The literature review contained in chapters two and three provided an overview not only of the practice of corporate hospitality and events but of relationship marketing and the motivation and advertising response literature. The hypothesised model was developed within this context where CH as an engagement device was incorporated within attendance at special events.

This study has established that attending CH at special events does increase customer loyalty to a host organisation within B2B markets, however, it was also necessary to test whether the increase in loyalty is reflected in a more tangible outcome through guest purchase intentions. Azjen & Fishbein (1980) stated that in the theory of reasoned action, beliefs precede attitude and normative beliefs precede subjective norms; attitudes and subjective norms precede intention; and intention precedes actual behaviour (Shiffman et al p.226). It was therefore important in this research to test attitudes and a guest's intentions post attendance of CH at events. Purchase intentions, it is argued, could be viewed as a surrogate for purchases. When assessing purchase intentions from respondents, the indication of intention gives a clearer understanding of future buying plans.

In B2B markets buying behaviour is not standardised between organisations. This is evident where organisational re-buying may be tied to contractual terms and scheduled regularly, over set periods of time, or in the case of repeat purchasing, the buying behaviour is tied to a supplier but executed on an ad hoc or needs basis. This, therefore, presented a degree of difficulty in assessing the efficacy of CH events in the shorter term on actual purchases. The complexity of assessing purchasing patterns lends itself to a longitudinal study but this was neither the direction nor design of this research.

CH can be examined through two specific approaches. Firstly, in an operational sense the practice has been embedded into major sporting and cultural events throughout the world as a significant driver of revenue. Secondly, it has increasingly been adopted as a marketing communications instrument employed by organisations to engage with customers. Through a comprehensive review of special event and marketing literature it became apparent that scant attention had been paid to the practice from either discipline. Certainly, it was clear from the literature that events had been leveraged for a range of political, economic and socio-cultural reasons since earliest civilisation. In the academic studies conducted over the last three decades by Hall, Getz, Jago, Carlson, Dwyer and Hede an array of impacts on communities had been found. This research coincided with the rise in interest in events more generally and mirrored the increased adoption of events as a tourism visitation strategy. Until most recently, such studies of special events were likely to focus on economic evaluations rather than a wider scope of social, environmental and operational considerations. The role of audience development research specifically for the corporate sector is largely missing in the literature and what has been studied most often reflects event sponsorships which fall outside the boundaries of this research. Consequently, the role of an academic examination of CH in the context of special events and the leveraging opportunity of these events for a corporate audience had otherwise been overlooked.

From a marketing perspective the last two decades have seen increasing academic interest in the concept of relationship marketing and customer life value. In reviewing the relationship marketing literature especially the Nordic school theorists, Gronröos and Gummesson, it was clear that CH occupied a role as an instrument within a client engagement or relationship management strategy. Relationship marketing was considered the most appropriate approach used to site the practice of CH. The foundation of a relationship marketing approach is based on building meaningful relations with key customers, nurturing them over time to build custom and loyalty. This is described as a way to build the customer lifetime value to an organisation. To test how CH could deliver outcomes for hosting organisations within a relationship marketing framework required an understanding of the elements of brand equity. The use of Hennig-Thurau et al.'s (2002) model of the determinants of relationship marketing outcomes reflected the role of CH acting as a special treatment benefit to build satisfaction and commitment with customers. These elements lead to customer loyalty and positive word of mouth, both important elements of brand equity. Although Bennett (2003) had provided the first recorded academic study of CH, that study was applied to an examination of the practitioner approach rather than the ROI expected from guest recipients. To build on Bennett's findings and include the relationship marketing approach to the application of CH a more comprehensive study was required. The focus therefore of this study was to examine the potential effects of the practice on the attitudes and behaviour of recipients. For this study, the two elements contributing to brand equity considered critical for testing the practice were judged to be customer loyalty and purchase intention.

8.2 Implications for stakeholders of corporate hospitality programs

The outcomes of this research have a direct application for stakeholders involved in CH programs within Australia as well as in the broader global context. The study concluded that three principle actors were involved in co-producing a CH event experience. These are the hosting organisation, the special event organisation and the invited guest. To create an emotion shift (Kover 1995), it is essential that "consumers experience a positive mood during the time a service is rendered and care should be taken to create an ambient service environment" (de Ruyter & Bloemer 1999 p. 325). It is not sufficient to identify the elements that have contributed to the CH experience or the role that CH plays in terms of improving an organisation's brand equity unless this is more widely known. It is therefore, important, that the information regarding the outcomes of this research be communicated to academics and practitioners accordingly. Although there are already some organisations, deemed 'pacesetters' in this research, that experience excellent returns on their CH programs, these are relatively few in number. Addressing the outcomes from each CH program must, therefore, be a priority for all practitioners. The conceptual model along with the outcomes of this research provides practitioners with a foundation to improve not only their offering to guests but the outcomes expected from such programs.

It is evident through the literature review and interviews conducted in this research that CH as a marketing communications practice has been maligned. The lack of any objective measure of its usefulness as a marketing tool has reinforced this position. If this research can provide a counter point to that argument then it will be a step towards ensuring the practice is able to take its rightful place as a serious marketing communications practice.

8.2.1 Host organisations

CH offers such a service environment as discussed in the previous section where hosting organisations need to understand the emphasis of creating the right ambience to make guests feel at ease. There were several factors that were identified in the research that sat firmly with the responsibilities of the host. It was evident that expectations regarding the event happened long before the event occurred and were uppermost in guests' minds on accepting an invitation to attend. In consideration and complementary to this point was the role that invitations played as a critical success factor. Therefore, host organisations need to ensure creative invitations are delivered in a thoughtful and timely manner. These invitations should be seen as an extension of the brand, they are as much an advertisement for the event as they are for the host's brand. Morgan and Hunt (1984) stated that communication was a precursor to commitment and trust and it follows that in a pathway toward building relationships requires open channels of communication. This research identified that a host could improve CH programs through building excitement through the invitation process as well as post event follow up. In addition, relationships could be improved within a business where some employees not involved in CH programs are briefed on the reasons for such events through ensuring a dialogue and open communication.

Although food and beverage served at CH events is usually produced by the event venue's contractor or in house caterers, it was often the role of the host to specify the menu and budget for the food and beverage served. In this research, food and beverage and its presentation and service were found to be important tangible elements for delivering a memorable occasion not only for the host organisation but the guest. O'Mahony (2007 p. 5) states that "dining is context–dependent, with differences in the perspective that diners bring to a variety of occasions". As CH at special events seeks to impart a sense of exclusivity, the expectations regarding the quality, presentation and the range of food and beverage offered at such events is heightened. It is appropriate, as discussed by O'Mahony, to ensure that "conducting local level research in order to identify the factors that influence customer's consumption of food and beverage" is considered to ensure that guest expectations and demands are met. The results from this study resonate with those of business events delegates as already stated in the literature review. Research conducted into factors affecting convention decision making by Jago and Deery (2005, p.36) indicated that the quality and quantity of food prompted "more comments from delegates than any other aspect". These results echo the importance of CH food and beverage found in this study. It is therefore incumbent upon not only the host organisation to specify food and beverages of a sufficiently high standard befitting the occasion but also to ensure that the catering operations of the event organisation in being capable of fulfilling them. It is essential therefore, to reiterate that the concept of quality, defined as what the guest was receiving as well as how they received it was of considerable importance in this research.

Networking, although often misunderstood, is a critical attribute in developing business networks and the flow of information. This element has been cited as one of the principal reasons that guests attend CH at special events. These events offer the hosts and other guests the opportunity for informal information exchange. This may take the form of market intelligence, gaining new business opportunities or prospective employment. Therefore, such exchanges between guests and hosts can be mutually beneficial. Although interaction between a host and guest is important in developing closer interpersonal commercial relationships, the networking between other invited guests is equally valued. Blakenburg Holm, Eriksson & Johanson (1999) state that in B2B markets, networking leads to mutual commitment, dependence and value creation.

The hospitality extended to a guest by a host organisation is a cornerstone to the CH experience provided. As stated in the literature review earlier in the thesis, O'Gorman (2006 p. 56) states "hospitality exists within a lived experience; and is a gift given between the "host" and the "guest". When attending social or business events, guests often have expectations about the type of experience sought or to paraphrase O'Gorman, the quality of the gift. One of the principle drivers of that experience will be the way in which they have been treated by the host at that event. The experience of the hospitality extended to guests by the host will be based on a range of tangible and intangible elements. These elements could be the warmth and genuineness of the initial welcome, through to any interactions including whether their needs have been met. Therefore, the capability of a host to remain engaging, friendly, courteous and attentive is a significant driver of the overall CH experience. This host driven capability has been referred to in this study as hospitability. Another important host organisation responsibility resided in the design, planning and implementation of the invitation to attend a CH event. It was found in the research that invitations played an important marketing and educational role. Invitations were required to do more than state details of the planned event. Therefore, they were marketing tools, and like any piece of corporate communication they needed to excite, engage and most importantly deliver a confirmation of attendance to the event.

In assessing the results of the research it is evident that CH often lacks integration with wider strategic marketing programs. In many organisations it appeared to run in parallel with existing marketing programs rather than being embedded within them. One of the confessed shortcomings of many practitioners surveyed was the inability to frame their CH programs within a wider communications framework or evaluate the outcomes. Therefore, many organisations were not adept at stating clear objectives for events or recording outcomes. It should be noted that the research showed the intentions of some firms were that this was a determined view and that invitations to attend special events were distributed as a reward for past service not as an incentive for new business. In this sense such executives were investing in relationships albeit with a less critical eye on immediate results. This research did discover that organisations could be categorised according to the maturity, sophistication and integration applied to their CH programs. The researcher has grouped practices into table 6.1 and proposed three classifications of host organisations. These were deemed to be Pacesetters, Rationalist Advocates and Cynical Participants, each nomenclature seeking to describe the approach that firms had adopted toward the practice. From this study they were discussed in Chapter Six and the table is reproduced below.

Table 8.1 *Classification of respondents by industry designation based on qualitative results*

Classification	Industry Designation
Pacesetter	**Healthcare** **Professional Services (H.R.)**
Rationalist Advocate	**Media/ Publishing** **Professional Services** **Hospitality and Leisure** **Financial Services** **Oil & Mining** **IT & T**
Cynical Participant	**Professional Services (Management Consulting)**

The role of this research in some measure is to ensure that best practice can be identified and then incorporated for practitioner application when CH programs are designed and delivered. The difference between an organisation deemed a pacesetter and the cynical participant is often based on the lack of a strategic focus to their CH programs. Those organisations that set specific objectives are able to meld education as well as relationship development into programs lasting several years. These programs have a greater organisational commitment as they have proven themselves effective building loyal customer relationships in the longer term. The organisations that are cynical regarding investments made in CH often look at the practice as a quick fix. As stated earlier in the research, relationships take time to create and nurture and are not always profitable in the short term. It may take sometime before a firm realises the investment made in that relationship (McKenzie 2001). Recognising this, cynical participants disappointed with the return on CH investments need to recast their expectations. CH, therefore, not unlike other marketing campaigns, requires thorough planning and execution as well as realistic, achievable and measurable outcomes.

The major research implication for host organisations is that it has been established that brand equity can be improved through CH programs. It is evident that organisations that approach the practice with a high level of commitment, planning and execution of CH programs can improve organisational and guest satisfaction. The conceptual model and results presented in this research provide signals to marketers on the elements required to be managed effectively to maximise efficacy.

8.2.2 Special event organisations

Special event organisations, the third actor in the CH continuum have an important part to play in influencing a guest's CH experience. Critically important in creating a positive experience for guests were the friendliness and efficiency of venue staff. The role that event organisations play in managing catering operations is also crucial if they are to be able to provide the high standard and expectation of hosting organisations and their guests. Therefore, event managers of major events need to recognise that when it comes to food and beverage, a two tier approach for general public and corporate guests is mandatory if guest expectations are to be managed appropriately. The significance of the catering element cannot be understated. Whether venue and event organisers operate as in-house or as external contractors, the issues of quality and service are critical in ensuring continuing support of the corporate sector. In addition to this, special event organisations should be aware that events appealing to both genders, including tennis and horse racing have been cited by CH practitioners as those that have greatest potential for engaging with not only emerging female middle and senior executives, but the partners of targeted male guests who are often referred to in a decision to attend.

8.2.3 The corporate hospitality guest

The third actor in the practice is the CH guest. In a post Global Financial Crisis (GFC) business environment, loyal relationships are tested as commerce contracts. It was clear that CH events were business social events to which guests looked forward. Guests held high expectations of having an enjoyable time networking with their host and other invited guests and learning more about their host, company and general market information. There was no misunderstanding about why guests believed they were invited to attend and although there was found to be a modest sense of obligation, it did not appear to greatly restrict attendance. Having guests get to know their host better, and the host taking the time to be genuinely interested in their business was likely to create the advocacy and loyalty so often sought by firms competing in a crowded marketplace.

8.3 Implications for theory

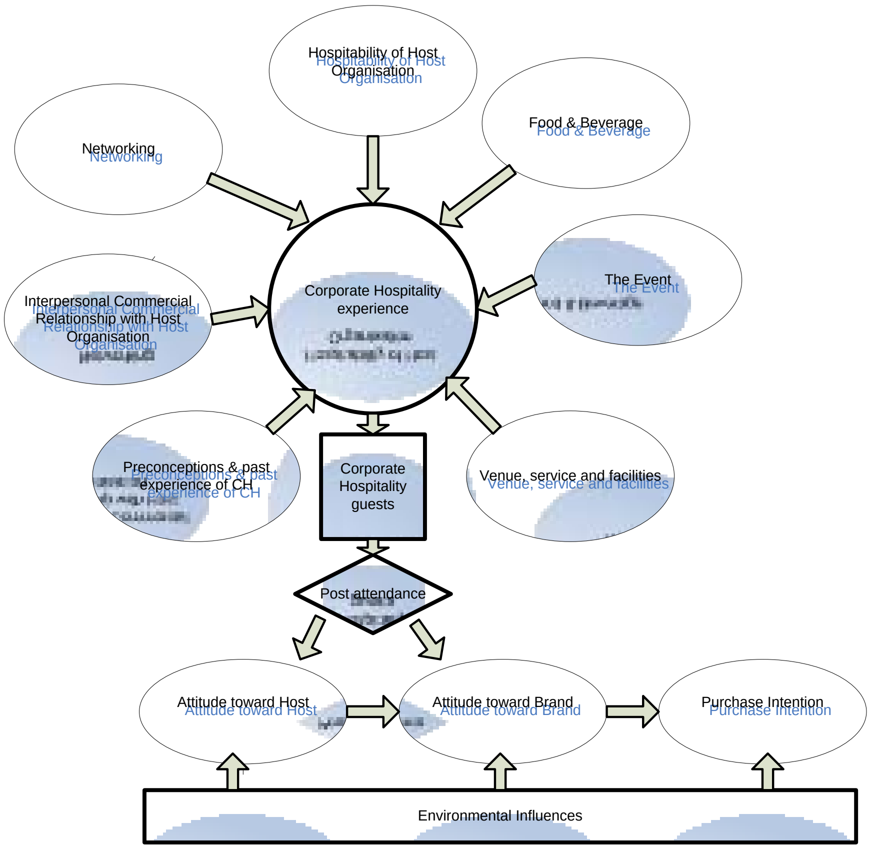
As has been stated in the thesis, although research has been conducted in special events as well as hospitality, very little is known of the practice of CH occurring at special events. As literature in this field is scarce, academic study that can add to the body of knowledge in the field should be welcomed. This research has presented a conceptual model (Figure 8.1) that contributes to the understanding of factors that influence a CH experience and how attendance by a guest influences attitude and behaviour. This conceptual model is the first such model to explain the practice of CH and can be added to the body of knowledge in the business, sporting and special event industries. The identification of the actors, elements and processes involved in a CH experience will assist in developing the practice in terms of professionalism and in a way that will ensure it is taken more seriously by practitioners and marketing academics alike. This research has responded to the call from academics (Bennett 2003) into more knowledge regarding the practice.

Underpinning this research is the role of relationship marketing and although considered a worthy theoretical marketing theory, it has been limited in its adoption by practitioners. This study demonstrates how CH used by host organisations as an engagement strategy within a marketing communications framework can provide tangible benefits, most notably customer loyalty. Furthermore, the body of knowledge relating to the operationalisation of relationship marketing theory to specific industries has been advanced in this study.

8.4 Hypothesised model and concepts included in the model

The conceptual model Figure 8.1 has been tested and revised through superficial changes, which included naming the element Networking and Information Exchange to Networking and including CH guests at the bottom of the model design as consumers of the CH experience. In terms of Lavidge and Steiner’s (1961) Hierarchy of Effects (HoE) incorporated within this model, it has been shown to have some relevance in describing the formation of attitude and purchase behaviour. Although the HoE was initially designed as an advertising response model, the use of this theory within the context of CH itself is not unique as it has been adopted within marketing communications strategies. Results from phase two of the study have been used to validate the conceptual model. The tests for Hypothesis One relate to verification of the elements involved in a guest’s CH experience and results of Hypothesis Two underpin the secondary stage of the model related to the hierarchy of effects. As the aims of the study were to test CH efficacy in elements of brand equity it has been found that guest loyalty is positively influenced by CH attendance at special events. Although there is a partial acceptance of the premise that purchase intention is also marginally improved through attendance at CH events it is not an overwhelming link and as discussed in this thesis the factors involved in B2B purchasing are significantly more complex than that within the B2C environment.

Figure 8.1 Conceptual model to test effects of corporate hospitality on attitudes and behaviour toward host organisation and brand



8.5 Limitations of this research

Although this research contributes significantly to the body of knowledge surrounding CH, there are limitations associated with the research. In terms of the ability to generalise the findings from this study it must be noted that the research focussed on special event CH in a B2B environment. It did not address CH that was used for social rather than business purposes nor did it focus on the reseller market or syndication. The research was primarily limited to passive or spectator events rather than participative events such as golf days. As described in the introductory chapters, CH can broadly be defined as pertaining to a hosted restaurant meal through to a major special event such as the Melbourne Cup or a Grand Prix. The significance of the investment in each type of event and consequent expectations of the host has not in itself been tested. Although special events are the focus of this research the lack of scalability of expectations has been untested in this research design. Another limitation of the research related to the timing of the data collection. The questionnaire was distributed in September. The timing of the questionnaire distribution produced to two specific issues. Most sporting special events such as thoroughbred horse racing, motorsport, tennis and cricket occur in the warmer months of spring and summer. It is likely that the types of events guests had most recently attended would not have been these types of events but lesser profile events including banquet dinners as an example. In addition, the period of the research coincides with many organisations finalising the reporting for the end of the financial year. This may have affected the guest responses as many organisations wind back their CH activity at this time.

A further limitation related to the majority of respondents in the qualitative phase of the research being drawn from Melbourne although it should be added that the quantitative phase drew respondents from around Australia. As such, although it is reasonable to accept that certain findings could be generalisable it is important to note that this study did not review all types of CH events or those conducted in other parts of the world.

8.6 Further research

This study investigated whether the attendance through acceptance of a CH invitation to a special event influenced recipient’s attitudes and behaviour to the hosting organisation. To understand how consumer’s attitudes influence their behaviour is of significant interest for researchers especially in terms of the affects of methods of marketing and advertising. As little empirical research is available regarding CH, it is difficult to directly compare these results with other published data. The results found in this study show that there are several elements that combine to produce a CH experience and that some of them are more important factors in influencing loyalty and purchase intention. It can be shown that CH does play a role in improving customer loyalty and purchase intentions in some but not all guests. To better understand CH and its role within marketing frameworks more research is required. Some of the issues identified for future research may wish to replicate or build on the methods of this study to build a body of knowledge regarding CH. There would also be a benefit in expanding the study across different countries to compare results and further test the conceptual model.

Focus of where research is required to fill a current deficiency is:

- To better define various forms of CH at special events that reflect social CH, where no business objectives are sought
- To examine participative CH where guests are active rather than passive participants in events and contrast results
- To test the conceptual model in relation to international mega events
- To develop a standardised methodology to evaluate key business objectives for CH in B2B markets
- To examine the efficacy of CH programs in relation to other marketing practices
- To better understand impacts of CH on different genders
- To test CH impacts on different stakeholder cohorts such as staff attending as guests, suppliers or the media within the model devised for this study
- To examine whether there exists a specific type of special event that delivers better outcomes that others

8.7 Final conclusion

The digital age has brought with it a plethora of communications options for the modern marketer in engaging with target markets. Although significant advances have been made in adopting technology to improve relationships between firm and customer, personal relationships, still remain vitally important in B2B markets. When such personal relationships reach maturity, commitment develops to the extent that there is little distance between the buyer and seller either on a social, cultural or ethical basis. The underlying goal in business to ensure value creation must therefore be to invest in building and maintaining these relationships. To do so will fortify the business in the long term and build a sustainable competitive advantage. On commencing this research, little was known regarding the practice of CH or how it could be used to build interpersonal commercial relationships. Specifically it was unknown what constituted a CH experience, why organisations invested in the practice and for what ultimate purpose. In conducting this research, information was drawn from the experiences of venues, practitioners and guests in a holistic approach. This study as applied research has provided a range of information that will be valuable to industry. These include organisations that incorporate CH programs within their marketing programs, sporting and cultural institutions, special event owners, venues and catering operations. In addition, contributions to theory through this study, will aid academe in terms of marketing, tourism, hospitality and special events studies. Finally, business to business markets are often fiercely competitive and rely upon the goodwill and enduring loyalty of their customers to remain sustainable. This research has demonstrated that brand equity particularly loyalty for organisations can be improved through CH. It is therefore apparent through this study that the growth in the practice of CH can now be legitimised within a wider marketing communications framework.

REFERENCES

Aaker, D. (2003) The Power of the Branded Differentiator. *MIT Sloan Management Review*, 45**,** 83-87.

Aaker, D. A. (1996) *Building Strong Brands,* New York, The Free Press.

Aaker, D.A., Biel, A. (1993), *Brand Equity and Advertising* Hillsdale, NJ, Lawrence Erlbaum**.**

Abraams, P. (2007) Creating state and city event strategies. *Re-eventing the city/town:events as catalysts for change.* Melbourne.

Achrol, R. S., Kotler, P. (1999) Marketing in the Network Economy. *Journal of Marketing,* 63**,** 146-163.

Aijo, T. S. (1996) The theoretical and philosophical underpinnings of relationship marketing. *European Journal of Marketing,* 30**,** 8-18.

Alderfer, C. P. (1972) *Existence Relatedness and Growth,* New York, Free Press.

Alderson, W. (1965) *Dynamic Marketing Behaviour: A Functionalist Theory of Marketing,* Homewood Illinois, Richard D Irwin.

Allen, J., Jago, L. (2002) Events and place making; proceedings of the International Event Research Conference *Event Research Conference.* University of Technology, Sydney.

Allen, J., O'Toole, W., Harris, R., McDonnell,I., Stokes,R. (2005) *Festival and Special Event Management,* Brisbane, John Wiley and Sons.

Allen, J., O'Toole, W., Harris, R., McDonnell., I (2005) *Festival and Special Event Management (3rd edition),* Brisbane, John Wiley & Sons.

Allen, J., O'Toole, W., Harris, R., McDonnell., I (2008) *Festival & Special Event Management (4th edition),* Brisbane, John Wiley & Sons Australia Ltd.

Anderson, J., Narus,J. (1991) Partnering as a Focused Market Strategy. *California Management Review*, 33**,** 95-113.

Anderson, J., Hakansson, H., Johanson, J. (1994) Dyadic Business Relationships Within a Business Network Context. *Journal of Marketing,* 58**,** 1-15.

Anderson, P. F. (1983) Marketing Scientific Progress, and Scientific Method. *Journal of Marketing,* 47**,** 18-31.

ARF (1995) *Expoloring Brand Equity,* New York, Advertising Research Foundation Inc.

Ary, D., Cheser, L., Jacobs, R., Razavieh, A., Sorensen, C., *Introduction to Research in Education,* Mason, Ohio, Cengage

Assael, H. (1995) *Consumer Behaviour and Marketing Action,* Cincinnati, Southwestern.

Axelsson, B., Easton, G. (1992) *Industrial Networks: a new view of reality,* London, Routledge

Azjen, I., Fishbein, M (1977) Attitude-behaviour relations: A theoretical analysis and review of empirical research. *Psychological Bulletin,* 84**,** 888-918.

Azjen, I. (1991) The Theory of Planned Behaviour. *Organizational and Human Decision Processes,* 50, 179-211.

Bagozzi, R. P. (1974) Marketing as an Organized Behavioral System of Exchange. *Journal of Marketing,* 38, 77-82.

Barry, J. M., Dion, P., Johnson, W. (2008) A cross-cultural examination of relationship strength in B2B services. *Journal of Services Marketing,* 22**,** 114-135.

Barry, T. E., Howard, D. J. (1990) A review and critique of the hierachy of effects in advertising. *International Journal of Advertising,* 9**,** 121-135.

Barwell, C. (1965) The Marketing Concept, in Wilson, A. (Ed.) *The Marketing of Industrial Products,* London, Hutchison.

Batra, R., Vanhonacker, W.R. (1986) The hierachy of advertising effects: an aggregate field test of temporal precedence. *Avis Rent a Car System Working Paper Series in Marketing.* New York, Columbia Business School.

Baxter, J. (2000) Corporate hospitality: 2000 Market Report. London, Key Note

Bayley, G., Nancarrow, C. (1998) Qualitative Market Research: An International Journal. *Impulse purchasing: a qualitative exploration of the phenomenon,* 1, (2) 99-114.

Beatty, S. E., Ferrell, M.E. (1998) Impulse buying: modelling its precursors. *Journal of Retailing,* 74**,** 169-191.

Bedbury, S. (2002) *A New Brand World,* New York, Viking Penguin.

Bendapudi, N., Berry, L. (1997) Customer's Motivations for Maintaining Relationships with Service Providers. *Journal of Retailing,* 73, 15-37.

Bennett, R. (2003) Corporate hospitality: executive indulgence or vital corporate communications weapon? *Corporate Communication: An International Journal,* 8, 229-240.

Benschop, Y. (2009) The Micro-politics of Gendering in Networking. *Gender, Work and Organization*, 16, 217-237.

Berridge, G. (2007) *Events Design and Experience,* Oxford, Butterworth Heinemann.

Berry, L. L. (1983) *Relationship Marketing,* Chicago, American Marketing Association.

Berry, L. L. (1995) Relationship Marketing of Services. *Journal of the Academy of Marketing Science*, 23**,** 236-245.

Bjorkman, I., Koch, S. (1995) Social relationships and business networks: The case of Western companies in China. *International Business Review* 4, (4) 519-535.

Blaikie, N. (2000) *Designing Social Research,* Malden MA., Blackwell.

Blankenburg Holm, D., Eriksson,K., Johanson,J. (1999) Creating Value Through Mutual Commitment to Business Network Relationships. *Strategic Management Journal,* 1999**,** 467-486.

Body, J. (2004) *Jean Giradoux,* Paris, Gallimard.

Bolton, R. (1998) A Dynamic Model of the Duration of the Customer's Relationship with a Continuous Service Provider: The Role of Satisfaction. *Journal of Marketing Science*, 17 (1)**,** 45-65.

Borja De Mozota, B. (2003) *Design Management: Using Design to Build Brand Value and Corporate Innovation,* London, Allworth Press.

Bourdieu, P., Wacquant, L. (1992) *Invitation to Reflexive Sociology,* Chicago, University of Chicago Press.

Brannen, J. (1992) *Mixing Methods: Qualitative and Quantitative Research,* Aldershot, Hants, Avebury.

Brennan, R., Canning, L., McDowell, R. (2007) *Business to Business Marketing,* London, Sage.

Breyer, R. F. (1934) *The Marketing Institution,* New York , McGraw-Hill Book Company Inc.

Brotherton, B., Wood, R. (2004) In Lashley, C. (Ed.) *In Search of Hospitality.* Oxford, Elsevier Butterworth-Heinemann.

Brotherton, B. (2005) The Nature of Hospitality Customer Perceptions and Implications. *Journal of Tourism, Hospitality Planning and Development,* 2**,** 3, 139-153.

Bryant J., Vorderer. P. (2006) *Psychology of Entertainment,* Cambridge, Routledge.

Bryman, A. (1992) Quantitative and qualitative research: further reflections on their integration. In Brannen, J. (Ed.) *Mixing Methods: Qualitative and Quantitative Research* Avesbury, Ashgate Publishing Company.

Buchanan II, B. (1974) Building organizational commitment: the socialisation of managers in work organization. *Administrative Science Quarterly*.

Buchanan, J. (1965) An Economic Theory of Clubs. *Economica,* 9**,** 1-14.

Bullock, R., Little, M., Millham, S. (1992) The relationships between quantitative and qualitative approaches in social policy research. In *Mixing Methods: Qualitative and Quantitative Research* (Brannen J. ed.), Avesbury, Aldershot, Ashgate Publishing Company 81–100.

Brannen, J. (Ed.) *Mixing Methods: Qualitative and Quantitative Research.* Aldershot, Hants, Avebury.

Burchill, G. B., C.H. (2005) *Voices into Choices,* Madison, Wisconsin, Centre for Quality Management.

Butler, R. S. (1923) *Marketing and Merchandising,* New York, Alexander Hamilton Institute.

Cain, M., Finch, J. (Ed.) (1981) *'Towards a rehabilitation of data',* British Sociology.

Cannie, J. K., Caplin, D. (1991) *Keeping Customers for Life,* New York, American Management Association.

Caracelli, V., Greene, J.C. (1993) Data analysis strategies for mixed method evaluation designs. *Educational Evaluation and Policy Analysis,* 15**,** 195-207.

Carlsen, J. G., D. Soutar, G. (2000) Event evaluation research. *Event Management: An International Journal,* 6, 4, 247-251

Carlzon, J. (1987) *Moments of Truth*, Ballinger Publishing Company.

Caspar, M., Hecker, A., Sabel, T. (2002) Markenrelevanz in der Unternehmensfuehrung - Messung, Erklaerung und empirische Befunde fuer B2B Maekte. Marketing Centrum Muenster.

Chalip, L., Leyns, A. (2002) Local business leveraging of a sport event: managing and event for economic benefit. *Journal of Sport Management*,16 132-158.

Chernatony, L. D. (1998) *Brand management,* Aldershot, Dartmouth Publishing.

Chetwynd, C. (1998) Corporate Hospitality. *Marketing Week* (5) November, 47-50

Christy, R. W., M. (1999) Researching possibilities in marketing. *Qualitative Market Research,* 2**,** (3) 189-196.

Clark, M., Riley, M., Wilkie, E., Wood, R.C. (1998) *Researching and writing dissertations in tourism and hospitality,* London, Thomson Business Press.

Coakes, S. J., Steed, L.,Price, J. (2008) *SPSS :analysis without anguish version 15.0 for Windows,* Milton, QLD, John Wiley & Sons.

Coe, J. M. (2004) *The Fundamentals of Business to Business Sales and Marketing,* New York, McGraw-Hill.

Cohen, D. (1972) Surrogate indicators and decption in advertising. *Journal of Marketing,* 36**,** 10-15.

Collins, R. (1984) Statistics versus words. *Sociological Theory,* 2**,** 329.

Commission, A. T. (2006) Value of Tourism.

Condon, T. (2000) Clients not playing games. *Business Review Weekly 77-78.*

Conry-Murray, A. (2009) 5 Rules of Social Networks. *Information Week, 25-35.*

Copeland, M. T. (1927) *Problems in Marketing,* NY, The Ronald Press Company.

Corkindale, D., Balan, P., Rowe, C. (1996) *Marketing: Making the Future Happen,* Melbourne, Nelson ITP.

Craig, A. D. (2002) How do you feel? Interoception: the sense of the physiological condition of the body. *National Review of Neuroscience,* 3**,** 655-666.

Creswell, J. (2003) *Research Design: Qualitative, quantitative, and mixed methods approaches,* Thousand Oaks, CA, Sage.

Creswell, J. W., Plano Clark, V.L. (2007) *Designing and Conducting Mixed Methods Research,* Thousand Oaks, CA, Sage.

Croft, M. (2001) Perfect pitch, *Marketing Week,* 29 March 57-59

Crompton, J. L., McKay, S.L. (1997) Motives for visitors attending festivals *Annals of Tourism Research,* 24**,** 425-439.

Crompton, T. L., McKay, J. L. (1995) Development of an instrument for identifying community reasons for staging a festival. *Journal of Travel Research* 37-44.

Crosby, L. A., Evans, K.R., Cowles, D. (1990) Relationship Quality in Services Selling: An Interpersonal Influence Perspective *Journal of Marketing, 54, 3, 68-81*

Crosby, L.A. (1991) Building and maintaining quality in the service relationship, In S.W. Brown and E Gummesson Service Quality: Multidisciplinary and Multi-national perspectives 269-287 Lexington MA, Lexington Books

Crutchfield, T. N. (1998) Customer Retention in Consumer Services: A Multiple Sources-Multiple Commitments Model of Marketing Relationships, Alabama, University of Alabama.

Culliton, J. W. (1948) *The Management of Marketing Costs,* Boston MA, Harvard University.

Dann, S., Dann S., Brown, J. (2004) Australian Corporate Hospitality Review 2nd Edition. Brisbane, Queensland University of Technology.

Dann, S., Dann, S., Brown, J. (2004) Sparten Corporate Hospitality Review, Brisbane, Sparten

Dann, S., Dann S. (2005) Australian Corporate Hospitality in Review. *2nd Australasian Nonprofit and Social Marketing Conference.* Melbourne.

Davenport, T. (1992) *Process Innovation: Reengineering work through information technology*, Harvard Business Press.

Davidson, H. (1997) *Even More Offensive Marketing,* London, Penguin.

Davidson, R., Cope, B. (2003) Corporate Hospitality. *Business travel: conferences, incentive travel, exhibitions.* Harlow: FT Prentice Hall.

Davis, S. M. (2000) *Brand Asset Management*, San Francisco, Jossey-Bass.

Day, G. S. (2000) Managing Market Relationships. *Journal of the Academy of Marketing Science* 28**,** 24-30.

De Bonis, N. J., Peterson, R. S. (1997) *The AMA Handbook for Managing Business to Business Marketing,* Chicago, NTC Business Books.

De Chernatony, L. (2001) *From Brand Vision to Brand Evaluation,* Oxford, Butterworth-Heinemann.

De Guzman, A. B., Leones, J.D., Tapia, K.K.L, Wong, W.G., De Castro, B.V. (2006) Segmenting Motivation. *Annals of Tourism Research,* 33**,** 863-867.

De Ruyter, K., Bloemer,J. (1999) Customer Loyalty in extended service settings. *International Journal of Service Industry Management,* 10**,** 320-336.

De Vaus, D. (2004) *Surveys in Social Research,* Sydney, Allen & Unwin.

De Vaus, D. A. (2002) *Analyzing Social Science Data,* London, Sage Publications.

Deery, M., Fredline,L., Jago,L., Dwyer,L. (2005) *National Business Events Study (NBES),* Altona, VIC., Common Ground.

Dabholkar,P., Johns,W., Cathey, A. (1994) The Dynamics of Long Term Business to Business Exchange Relationships *The Journal of the Academy of Marketing Science 22, 2, 130-145*.

Delbridge, A., Bernard, J.R.L., Blair, D., Butler, S., Peters, P., Yallop, C. (Ed.) (2009) The Macquarie Dictionary 5th ed. Sydney, Macquarie Library.

Denzin, N. K., Lincoln, Y.S. (Ed.) (1994) *Handbook of Qualitative Research,* Thousand Oaks, California, Sage.

Denzin, N. K., Lincoln, Y.S. (Ed.) (2000) *Handbook of Qualitative Research,* London, Sage Publications.

Department of Defence (2009), Defence Capability Plan, Canberra

Dey, I. (1993) *Qualitative data analysis: a user friendly guide for social scientists,* London, Routledge.

Dick, A. S., Basu, K. (1994) Customer Loyalty: Toward an Integrated Conceptual Framework. *Journal of the Academy of Marketing Science,* 22**,** 99-113.

Donaldson, L. (Ed.) (1996) *Handbook of Organisation Studies,* London, Sage Publications.

Dorsch, M. J., Swanson, S. R., Kelley, S.W (1998), The Role of Relationship Quality in the Stratification of Vendors as Perceived by Customers, *Journal of the Academy of Marketing Science*, 26, 2, 128-142.

Doyle, P. (1995) Marketing in the new millenium. *European Journal of Marketing,* 29**,** 23-41.

Drucker, P. (1955) *The Practice of Management,* London, Heinemann Professional Publishing.

Drucker, P. (1994) *Post-Capitalist Society,* New York, Harper Business.

Dwyer, F. R., Shurr, P.H., Oh, S. (1987) Developing Buyer-Seller Relationships. *Journal of Marketing,* 51**,** 11-27.

East, R. (1990) *Changing Consumer Behaviour*, Cassell Educational Limited.

Edmondson, J., Mason, E, Rives, J (2005) *Flavius Josephus and Flavius Rome*, Oxford University Press.

Ehrenberg, A. (1974) Repetitive Advertising and the Consumer
*Journal of Advertising Research***,** 14,2, April, 25-34.

Eiriz, V., Wilson, D. (2006) Research in relationship marketing:antecedents, traditions and integration. *European Journal of Marketing,* 40**,** 275-291.

Elias, N. (1986) *Quest for Excitement: sport and leisure in the civilising process,* Oxford, Blackwell.

Emerson, R. (Ed.) (1976) *Social Exchange Theory,* Palo Alto, CA, Annual Reviews.

EOWA (2008) Australian Census of Women in Leadership, Australian Government Office for Women.

Faulkner, B., Fredline E., Larson M., Tomljenovic R. (1999) A Marketing Analysis of Sweden's Storsjoyran Musical Festival. *Tourism Analysis,* 4**,** 157-171.

Feldwick, P. (2002) *What is brand equity, anyway?: selected papers on brands and advertising by Paul Feldwick,* Oxfordshire, World Advertising Research Center.

Fesenmaier, B. E. W. A. D. R. (1995) Market Potential for Special Events: A Midwestern Case Study. *Festival Management and Event Tourism* 3**,** 25-31.

Festinger, L. (1957) *A Theory of Cognitive Dissonance,* Stanford, Stanford University.

Fill, C., Hughes, G. (2007) *CIM Coursebook Marketing Communications*, Butterworth Heinemann.

Fishbein, M., Azjen, I. (1975) *Belief, attitude. intention and behavior: An introduction to theory and research,* Reading, MS., Addison Wesley Publishing Company.

Fitzgerald, H. (2002) *Cross-Cultural Communication in Tourism and Hospitality* Melbourne, Hospitality Press.

Flack, J. (1999) Slump Action. *Marketing Week.*

Ford, D. (1980) The Development of Buyer-Seller Relationships in Industrial Markets. *European Journal of Marketing,* 14**,** 339-354.

Fornell, C. (1992) A National Satisfaction Barometer: The Swedish Experience. *Journal of Marketing,* 56**,** 6-21.

Fournier, S., Dobscha, S.,Mick, D.G. (1998) Preventing the Premature Death of Relationship Marketing. *Harvard Business Review,* 76**,** 42-51.

Fox, K. (2004) *Watching the English: The Hidden Rules of English Behaviour,* London, Hodder & Staughton.

Foxall, G. R. (1981) *Strategic Marketing Management,* London, Croom Helm Ltd.

Foxall, G. R. (1988) *Consumer Behaviour A Practical Guide,* London, Routledge.

Foxall, G. R. (2005) *Understanding Consumer Choice,* London, Palgrave.

Friedman, M. (1957) The implications of pure theory of consumer behaviour. *National Bureaux of Economic Research*.

Gee, J. P. (1999) *An introduction to discourse analysis,* Abingdon Oxford, Routledge.

Getz, D. (1989) Special events defining the product. *Tourism Management***,** 125-137.

Getz, D. (2005) *Event Management and Event Tourism,* Elmsford N.Y., Cognizant Communications.

Getz, D. (2007) *Event Studies,* Oxford, Butterworth-Heinemann.

Glaser, B. G., Strauss, A.L. (1967) *The Discovery of Grounded Theory: Strategies for Qualitative Research,* New York, Aldine Publishing Company.

Gobe, M. (2001) *Emotional Branding,* London, Allworth PR.

Goldblatt, J. (2004) *Special Events: Event Leadership in a New World,* 4th Ed, Hoboken, N.J., John Wiley & Sons.

Goodyear, M. (1996) Divided by a common language: diversity and deception in the world of global marketing. *Journal of Market Research Society,* 38**,** 105-122.

Gournaris, S. P. (2005) Trust and commitment influences on customer retention: Insights from business-to-business services. *Journal of Business Research,* 58**,** 126-140.

Grant, J. (1999) *The New Marketing Manifesto: The 12 Rules for Building Successful brands in the 21st Century,* London, Texere.

Greenberg, P. (2004) *CRM at the speed of light: essential customer strategies for the 21st century,* New York, McGraw-Hill/Osborne.

Greene, J. C., Caracelli, V.J., Graham, W.F. (1989) Toward a conceptual framework for mixed method evaluation designs. *Educational Evaluation and Policy Analysis,* 11**,** 255-274.

Gregory, J. R., Wiechmann, J.G (1997) *Leveraging the Corporate Brand,* Chicago, NTC Business Books.

Gronroos, C. (1984) A service quality model and its marketing implications. *European Journal of Marketing,* 18**,** 36-44.

Gronroos, C. (1990) *Service management and marketing: Managing the moments of truth in service competition,* New York, NY, Lexington.

Gronroos, C. (1996) Relationship marketing: strategic and tactical implications. *Management Decision,* 34, (3) 5-14.

Gronroos, C. (2000) *Service management and marketing: a customer relationship management approach*, Chichester, Wiley.

Grover, S.L., Crooker, K.J. (1995) Who appreciates family responsive human resource policies on the organizational attachment of parents and non parents? *Personnel Psychology,* 48, 271-288

Guba, E., Lincoln, Y. (Ed.) (1994) *Competing paradigms in qualititive research,* Thousand Oaks, California, Sage.

Gummesson, E. (1997) Relationship Marketing - a new way of doing business. *European Business Report***,** 52-56.

Gummesson, E. (2001) *Total Relationship Marketing: from the 4P's - product, place, promotion, place - of traditional marketing management to the 30R's - the thirty relationships - of the new marketing paradigm* Bath, Butterworth-Heinemann.

Gummesson, E. (2002) *Total Relationship Marketing:from the 4P's - product, price, promotion, place - of traditional marketing management to the 30 R's - - thirty relationships-- of the new marketing paradigm,* Boston, Butterworth Heinemann.

Hacker, S.K. & Doolen, T.L. (2003) Strategies for living: Moving from the balance paradigm *Career Development International* 8(6): 283-290.

Hair, J. F., Black, W.C., Babin, B.J.,Anderson, R.E.,Tatham, R.L. (2006) *Multivariate Data Analysis,* Upper Saddle River, N.J., Pearson Prentice Hall.

Hall, C. (1987) The Effects of Hallmark Events on Cities. *Journal of Travel Research***,** 44-45.

Hall, C. M. (1989) Hallmark tourist events: analysis, definitions,methodology and review. in Syme, G., Shaw, B., Fenton, N., Mueller, W. (Ed.) *Planning and Evaluation of Hallmark Events.* Aldershot, Avery.

Hammer M., C., J. (1993) *Reengineering the corporation: a manifesto for business revolution,* New York, Harper Business.

Hammersley, M. (1992) Deconstructing the qualitative-quantitative divide. In Brannen, J. (Ed.) *Mixing Methods: Qualitative and Quantitative Research.* Aldershot, Hants, Avebury.

Hansen, F., Scotwin, L. (1995) An experiential enquiry into sponsorship: What effects can be measured? *Marketing and Research Today***,** 173-181.

Hansen, H., Gauthier, R. (1989) Factors affecting attendance at professional sporting events. *Journal of Sport Management*, 3, (1) 15-32.

Harker, M. J., Egan, J. (2006) The past, present and future of relationship marketing, *Journal of Marketing Management,* 22**,** 215-242.

Harris, R., Jago, L., Allen, J., Huyskens, M. (2000) Towards and Australian event research agenda: first steps. *Event Management: An International Journal,* 6**,** 213-239.

Hausmann, A. (2000) A multi-method investigation of consumer motivations in impulse buying behaviour: *Journal of Consumer Marketing,* 17**,** 403-426.

Hede, A. M., Jago,L.K, Deery, M. (2002) Special Event Research 1990-2001: Key Trends and Issues. *Events and Place Making.* Sydney, UTS.

Hede, A. M. (2004) A conceptual and empirical investigation of the determinants of consumer satisfaction within the context of special event: attribute and value-based perspectives *Faculty of Business and Law* Melbourne, Victoria University.

Hennig-Thurau, T., Hansen, U. (2000) *Relationship Marketing: Gaining Competitive Advantage through Customer Satisfaction and Retention*, Heidelberg, Springer

Hennig-Thurau, T., Gwinner,K.,Gremler, D.D. (2002) Understanding Relationship Marketing Outcomes:An integration of relational benefits and relationship quality *Journal of Service Research,* 4**,** 230-247.

Herzberg, F., Mausner, B. Snyderman, B.B. (1959) *The Motivation to Work (2nd Edition),* New York, John Wiley and Sons.

Hirschman, E. C. (1983) Predictors of Self Projection, Fantasy Fulfillment and Escapism. *Journal of Social Psychology,* 120, 63-76.

Hofer, B. K., Pintrich, P.R. (Ed.) (2002) *Personal Epistemology: The psychology of belief about knowledge and knowing*, NJ, Erlbaum.

Holbrook, M. B., Hirschman, E.C. (1982) The Experiential Aspects of Consumption: Consumer Fantasies, Feelings and Fun. *Journal of Consumer Research,* 9**,** 132-140.

Holbrook, M. B., Hirschman, E.C. (1982) Hedonic consumption:emerging concepts, methods and propositions. *Journal of Marketing,* 46**,** 92-101.

Holmlund, M. (2004) Analyzing business relationship and distinguishing different interaction levels. *Industrial Marketing Management*, 33**,** 279-287.

Hunt, S. D. (2002) *Foundations of marketing theory: Toward a general theory of marketing,* Armonk, NY, M.E. Sharpe.

Hutt, M. D., Speh,T.W. (2009) *Business Marketing Management: B2B,* South Western.

Iacobucci, D., Ostram, A. (1996) Commercial and interpersonal relationship: using the structure of interpersonal relationship to understand individual-to individual, individual-to-firm and firm-to-firm relationships in commerce. *International Journal of Research in Marketing,* 13**,** 53-57.

Iacobucci, D., Hibbard, J.D. (1999) Toward encompassing theory of business marketing relationship and interpersonal commercial relationship. *Journal of Interactive Marketing,* 13**,** 13-33.

Inglis, S. (2000) *Sightlines A Stadium Odyssey:* London, Random House.

Irwin, C (2002) Coming of age: corporate hospitality, *Marketing Week,* April 21-23

Irwin, R. L., Sutton, W.A. (1994) Sport Sponsorship Objectives: An analysis of their relative importance for major sponsors. *European Journal for Sport Management***,** 93-101.

Jackson, S. (2008) *Research Methods: A Modular Approach,* Belmont, CA, Thomson Wadsworth.

Jacoby, J., Kyner, D.B. (1973) Brand loyalty versus repeat purchasing behaviour. *Journal of Marketing Research* 10**,** 1-9.

Jago, L. K., Deery, M. (2005) Relationships and Factors Influencing Convention Decision Making. *Journal of Convention and Event Tourism,* 7(1), 23-41.

Jago, L. K. (2006) *Economic evaluation of special events a practioner's guide,* Altona, Melbourne, Common Ground Publishing.

Jago, L. K. (2007) A Practioners guide to the Evaluation of Public and Coporate Events. *Events Research Conference.* RACV Club, Melbourne, Victoria.

Jago, L. K. S., R.N. (1998) Special Events: A Conceptual and Differential framwork. *Festival Management & Event Tourism,* 5**,** 21-32.

Janiskee, R. (1994) Some macro scale growth trends in America's community festival industry. *Journal of Festival Management & Event Tourism,* 2 10-14.

Javalgi, R., Traylor M.,Gross A. and Lampman E. (1994) Awareness of Sponsorship and Corporate Image: An Empirical Investigation. *Journal of Advertising,* 4**,** 47-59.

Jennings, G. (2001) *Tourism Research,* John Wiley & Sons Australia Ltd.

Juvenal (1998) *The Sixteen Satires,* Rome, Penguin

Kalafatis, S. P., Miller, H. (1997) A Re-Examination of the Commitment-Trust Theory". In Gemunden, H. G., Ritter,T.,Walter A. (Ed.) *Relationships and Networks in International Markets.* Oxford, Pergamon, 213-217.

Kanter, R. M. (1992) Think like the customer: the golbal business logic. *Harvard Business Review***,** 9-10.

Kaplan, D. (Ed.) (2004) *The Sage handbook of quantitative methodology for the social sciences,* Thousand Oaks, California.

Keller, K.L. (1993) Conceptualising, Measuring and Managing Customer Based Brand Equity, *Journal of Marketing*, 57, 1, 1-22

Kerstetter, D. G., R. (1995) Attendee Perceptions of Sponsorship Contributions to a Regional Arts Festival. *Festival Management & Event Tourism,* 2**,** 203-209.

Ketchum (2006) Media Myths and Realities. University of Southern California Annenberg Strategic Public Relations Center

Ketchum (2008) Media Myths and Realities: Media Usage Report. University of Southern California Annenberg Strategic Public Relations Center.

King, N. (Ed.) (1998) *Template analysis,* London, Sage.

Kotler, P., Levy,S.J. (1969) Broadening the Concept of Marketing *The Journal of Marketing,* 33**,** 10.-15

Kotler, P. (1997) *Marketing Management: Analysis, Planning, Implementation and Control,* Englewood Cliffs, NJ, Prentice Hall.

Kotler, P., Pfoertsch, W. (2006) *B2B Brand Management,* Berlin, Springer.

Kover, A. J. (1995) Copywriters' Implicit Theories of Communication: An Exploration. *Journal of Consumer Research,* 22**,** 596-611.

Krugman, H. E. (1965) The Impact of Television Advertising: Learning without Involvement. *Public Opinion Quarterly,* 29 (Fall)**,** 349-356.

Kuhn, T. S. (1962) *The Structure of Scientific Revolutions,* Chicago, University of Chicago Press.

Kumar, V., Reinartz, W. (2006) *Customer Relationship Management : A Databased Approach,* New Jersey, Wiley.

Lacher, K., Mizerski, R. (1994) An Exploratary Study of the Responses and Relationships Involved in the Evaluation of, and in the Intention to Purchase Rock Music. *Journal of Consumer Research,* 21**,** 366-380.

Lacher, K. T. (1989) Hedonic Consumption: music as a product. *Advances in Consumer Research,* 16**,** 367-373.

Laing, R. D. (1998) *The Divided Self: Selected works of R.D. Laing,* London, Routledge.

Lashley, C. (2000) In search of hospitality: towards a theoretical framework. *Hospitality Management*, 19**,** 3-15.

Latane, B. (1981) The Psychology of social impact. *American Psychologist***,** 343-356.

Latane, B. W. S. (1981) The social impact of majorities and minorities. *Psychological Review***,** 438-453.

Lavidge, R. C., Steiner, G.A. (1961) A model for predictive measurements of advertising effectiveness. *Journal of Marketing*, 25, 59-62.

Leiper, N. (1989) Tourism and tourism systems -occasional paper no.1 Palmerston North, Department of Management Systems, Massey University.

Leyden, F. (2006) The Business of Schmooze *Herald Sun* 28 January 2006 ed. Herald and Weekly Times, Melbourne, 88.

Li, X., Petrick,J.F. (2008) Tourism Marketing in an Era of Paradigm Shift. *Journal of Travel Research,* 46**,** 235-244.

Lifeskills (1999) *Building a Service Culture*, Aldershot, Gower.

Liljander, V., Roos, I Customer-relationship levels – from spurious to true relationships. *Journal of services marketing,* 16,(7), 593-614.

Lindstrom, M. (2005) *Brand Sense,* New York, Free Press.

Linehan, M. (2001) Networking for female managers' career development. *Journal of Management Development* 20**,** 823-829.

Lockwood, A. (1994) Using service incidents to identify quality improvement. *International Journal of Contemporary Hospitality Management,* 6**,** 75-80.

Lusch, R. F., Vargo,L.S. (Ed.) (2006) *The Service Dominant Logic of Marketing: Dialog, Debate and Directions,* New York, M.E.Sharpe.

Lye, A., Shao, W.,Rundle-Thiele, S., Fausnaugh, C. (2005) Decision waves: consumer decisions in today's complex world. *European Journal of Marketing,* 39**,** 216-230.

Madrigal, R., Miller, C.M. (1996) Construct Validity of Spouses' Relative Influence Measures: An application of the Direct Product Model. *Journal of the Academy of Marketing Science,* 24**,** 157-70.

Mair, J., Thompson, K. (2006) Towards and Attribute-Based Model of Conference Attendance Decision Making Process. In Jordan, S. F. (Ed.) *Events and Festival: Education, Impacts and Experiences,* Eastbourne, Leisure Studies Association.

Maslow, A. (1954) *Motivation and Personality,* Harper and Row, New York.

Masterman, G., Wood, E.H. (2005) *Innovative Marketing Communications: strategies for the events industry,* Oxford, Elsevier Butterworth-Heinemann.

Matthews, D. (2008) *Special Event Production: The Process,* Oxford, Butterworth Heinemann.

Mattson, L. G. (1997) Relationship marketing and the markets-as-networks approach: a comparative analysis of two evolving streams of research. *Journal of Marketing Management*, 13**,** 447-461.

May, T. (2001) *Social Research issues, methods and process,* Buckingham, Open University Press.

MBD (2006) UK Corporate Hospitality Market Research report. In Marketing and Business Development (Ed.) *Catering and Tourism.* Manchester.

McCarthy, E. J. (1960) *Basic Marketing: A Managerial Approach* Homewood, IL, Irwin.

McCartney, G., Thomson, H. (2010) The health and socioeconomic impacts of major multi-sport events: systematic review 1978-2008. *British Medical Journal*.

McCaskey, D. (2002) No nay never, will I cross your threshold, no nay never no more *Hospitality Review 9-16*

McClelland, D. (1961) *The Achieving Society,* New Jersey, Princeton Van Nostrand.

McCorkell, G. (1997) *Direct and Database Marketing,* London, Kogan Page.

McKenna, R. (1991) Marketing is Everything, *Harvard Business Review,* Jan-Feb, 65-70.

McKenzie, R. (2001) *The Relationship Based Enterprise: Powering Business Success through Customer Relationship Management*, Toronto, McGraw-Hill Ryerson.

Mattson, L.G. (1997) Relationship marketing and the markets-as-networks approach — a comparative analysis of two evolving streams of research. *Journal of Marketing Management* 13, 447–461

Meenaghan, T. (1991) The role of sponsorship in the marketing communications mix. *International Journal of Advertising***,** 35-47.

Mennell, S. (1985) *All manners of food: Eating and taste in England and France from the middle ages to the present,* Oxford, Basil Blackwell.

Michell, P., King, J., Reast, J. (2001) Brand Values Related to Industrial Products. *Industrial Marketing Management*, 30**,** 415-425.

Minichiello, V., Aroni, R., Timewell, E., Alexander, L. (1990) *In - Depth Interviewing*, Cheshire, Longman.

Minor, M. S., Wagner,T., Brewerton,F.J., Hausman,A. (2004) Rock On! An elementary model of customer satisfaction with musical performances. *Journal of Services Marketing,* 18**,** 7-18.

Monteith, D. (2009) Spring Racing Carnival. Melbourne, Victoria Racing Club.

Moore, B. (Ed.) (1996) The Australian Oxford Dictionary (4th ed.) Melbourne, Oxford University Press.

Morgan, R. M., Hunt, S.D. (1994) The commitment-trust theory of relationship marketing. *Journal of Marketing*, July, 2-38.

Morgan, R. M., Crutchfield, T.N., Lacey, R. (2000) Patronage and Loyalty Strategies: Understanding the Behavioral and Attitudinal Outcomes of Customer Retention Programs. In Hennig-Thurau, T., Hansen,U. (Ed.) *in Relationship Marketing: Gaining Competitive Advantage through Customer Satisfaction and Customer Retention.* Berlin, Springer.

Morgan, R. M. (2000) Relationship Marketing and Marketing Strategy: The Evolution of Relationship Marketing Strategy within the Organization. In Sheth J., Parvatiyar, A. (Ed.) *Handbook of Relationship Marketing.* Thousand Oaks, CA. Sage.

Moser, M. (2003) *United We Brand,* Boston, Harvard Business School Press.

Mozota, B. D. (2003) *Design Management: Using Design to Build brand Value and Corporate Reputation,* New York, Allworth Communications Inc.

Myers, K., Oetzel, J. (2003) Exploring the dimensions of organizational assimilation: Creating and validating a communication measure. *Communication Quarterly,* 51**,** 436-455.

Neuman, L., W. (2007) *Basics of Social Research: Qualitative and Quantitive Approaches,* Boston, Pearson.

Neumeier, M. (2007) *ZAG,* Berkeley, New Riders.

Newell, F. (2000) *Loyalty.com: Customer loyalty in the new era of Internet Marketing,* New York, McGraw-Hill.

Newman, J. W., Werbel, R.A. (1973) Multivariate Analysis of Brand Loyalty for Major Household Appliances. *Journal of Marketing Research,* X**,** 404-409.

Normann, R., Ramirez, R. (1993) From value chain to value constellation: Designing interactive strategy. *Harvard Business Review,* July - August**,** 65-71.

Oakley, A. (Ed.) (1981) *Interviewing women: a contradiction in terms?* London, Routledge & Kegan Paul.

O'Brien, D. (2005) Leveraging hallmark sport events for long-term business impacts: The case of the Sydney 2000 Olympic Games. In Sustainable Tourism Cooperative Research Centre (Ed.) Gold Coast, Queensland, STCRC.

Ogilvy, D. (1980) *Confessions of an Advertising Man*, Atheneum, New York.

O'Gorman, K. D. (2006) Dimensions of hospitality: exploring ancient and classical origins In Lashley, C., Lynch, P., Morrison, A. (Ed.) *Advances in Tourism Research, Hospitality: A Social Lens.* Oxford, Elsevier.

O'Hagan, J., Harvey, D. (2000) Why do companies sponsor arts events? Some evidence and a proposed classification. *Journal of Cultural Economics,* 24, 205.

Oliver, R. L. (1997) *Satisfaction: A Behavioural Perspective on the Consumer*, New York, Irwin-McGraw Hill.

O'Mahony, B. (2007) Culinary Imagination: The Essential Ingredient in Food and Beverage Management. *Journal of Hospitality and Tourism Management*, 14, 1-5.

O'Mahony, B., Hall, J. (2007) The Influence of Perceived Body Image, Vanity and Personal Values on Food Consumption and Related Behaviour. *Journal of Hospitality and Tourism Management,* 14, 57-69.

O'Malley, L., Tynan C. (2003) Relationship Marketing IN BAKER, M. J. (Ed.) *The Marketing Book.* 5th edition ed. Oxford, Butterworth Heinemann.

Palmer (1994) *Principles of Services Marketing,* Maidenhead, UK, McGraw Hill International.

Parasuraman, A. (1998) Customer Service in Business-to-Business Markets: An Agenda for Research. *Journal of Business and Industrial Marketing,* 13**,** 309-321.

Parker, D. (2001) The Thrill Seekers. *Marketing Week,* 27, 67.

Parvatiyar, A., Sheth, J. (2001) Conceptual Framework of Customer Relationship Management. In Sheth, J., Parvatiyar, A. and Shainesh, G. (Ed.) *Customer Relationship Management - Emerging Concepts, Tools and Applications.* New Delhi, Tata McGraw-Hill, 3-25.

Patton, M. Q. (1990) *Qualitative Evaluation and Research Methods,* Newbury Park, CA, Sage Publications Inc.

Payne, A., Christopher,M., Clark, M., Peck, H. (1999) *Relationship Marketing for Competitive Advantage,* Oxford, Butterworth Heinemann.

Payne, A. (2006) *Handbook of CRM,* Oxford, Butterworth-Heinemann.

Pearson, C., Mark, M. (2001) *The Hero and the Outlaw: building extraordinary brands through the power of Archetypes,* New York, McGraw Hill.

Peck, H., Payne,A., Martin,C., Clark, M. (1999) *Relationship Marketing Strategy and Implementation,* Oxford, Butterworth-Heinemann.

Pennington-Gray, L. F., J.D, Stynes, D. (2003) Cohort Segmentation: An application to Tourism. *Leisure Sciences,* 25**,** 341-361.

Peppers, D., Rogers, M. (1993) *The One-to-One Future: Building Relationships One Customer at a Time,* Garden City New York, Doubleday.

Peppers, D., Rogers, M. (2001) *One to One B2B : Customer Development Strategies for the Business-to-Business World,* Capstone Publishing Limited.

Peppers, D., Rogers, M. (2004) *Managing Customer Relationships,* Hoboken NJ, Wiley.

Porter, M. E. (1980) *Competitive Strategy,* New York, The Free Press.

Porter, M. E. (1985) *Competitive Advantage,* New York, The Free Press.

Porter, M.E., Kramer, M.R. (2002) The Competitive Advantage of Corporate Philanthropy, *Harvard Business Review,* December, 5-16

Prahalad, C. K., Ramaswamy. V. (2004) *The Future of Competition: Co Creating Unique Value for Customers,* Harvard Business School Publishing.

Preston, I. (1970) A reinterpretation of the Meaning of Involvement in Krugramn's Models of Advertising Communication. *Journalism Quarterly***,** 287-323.

Preuss, H. (2000) *Economics of the Olympic Games: hosting the games 1972-2000,* Sydney, Walla Walla Press in conj. UNSW.

Punch, K. F. (1998) *Introduction to Social Research, Quantitiative and Qualitative Approaches,* London UK, Sage.

Qureshi, H. (1992) Integrating methods in applied research in social policy: a case study of carers. In Brannen, J. (Ed.) *Mixing Methods: Qualitative and Quantitative Research,* Avebury, Ashgate Publishing Company

.

Ramsay, J. (1990) Corporate Hospitality: Marketing of a Monster. *Management Decision,* 28**,** 20-22.

Rauyruen, P., Miller, K.E. (2006) Relationship quality as a predictor of B2B customer loyalty. *Jornal of Business Research,* 60**,** 21-31.

Ray, M. L. (1973) Marketing Communication and the Hierachy of Effects. In Clarke, P. (Ed.) *New Models of Mass Communications.* Beverly Hills, CA, Sage 147-176.

Ray, M. L., Sawyer,A.G., Rothschild, M.L., Heeler, M.L.,Strong, R.M.,Reed, E.C., Reed,J.B. (1973) Marketing Communication and the hierachy of effects. In Clarke, P. (Ed.) *New Models for Mass Communication Research.* CA, Beverly Sage Publishing.

Reece, W. L. (1980) *Dictionary of Philosophy and Religion,* Atlantic Highlands: Humanities.

Reichheld, F. F. (1996) *The Loyalty Effect*, Boston MA, Harvard Business Press.

Reilly, W. (1931) *The Law of Retail Gravitation*, New York, Knickerbocker.

Reinartz, W., Kumar,V. (2003) The Impact of Customer Relationship Characteristics on Profitable Lifetime Duration. *Journal of Marketing,* 67, 77-99.

Reinartz, W. J., Kumar, V. (2000) On the profitability of long-life customers in a noncontractual setting: An empirical investigation and implications for marketing. *Journal of Marketing* 64, 17-37.

Reynolds, J. (2006) Jacques Derrida. *Internet Encyclopedia of Philosophy.* Melbourne, La Trobe University

Richardson, T., Vidaurreta, A. (2002) *Business is a Contact Sport,* Indianapolis, Alpha Books.

Ritchie, J. R. B., Beliveau D. (1974) Hallmark Events: An Evaluation of a Strategic Response to Seasonality in the Travel Market. *Journal of Travel Research,* Spring 1974**,** 14-20.

Ritchie, J. R. B. (1984) Assessing the Impact of Hallmark Events: Conceptual and Research Issues. *Journal of Travel Research*, 2-11.

Roberts, K., Varki,S., Brodie, R. (2003) Measuring the Quality of Relationships in Consumer Services: An Empirical Study. *European Jounal of Marketing,* 37, 169-196.

Roberts-Phelps, R. (2001) *Customer Relationship Management,* London, Hawksmere.

Robinson, L. S., Callan, R.J. (2005) UK Conference Delegates' Cognizance of the Importance of Venue Selection Attributes. *Journal of Convention and Event Tourism,* 7**,** 77-95.

Rogers, E. M. (1986) *Communication Theory: The New Media in Society,* New York, The Free Press.

Rogers, E. M. (1986) Network Theory and Analysis. Enschede, Netherlands, University of Twente.

Rogers, E. M. K., D.L. (1981) *Communication Networks: Toward a New Paradigm for Research,* Free Press., New York.

Rosenberg, L. J., Czepiel, J.A. (1984) A Marketing Approach for Customer Retention. *The Journal of Consumer Marketing* 1, 45-51.

Roslow, S. N., J.A.F., Laskey, H. (1992) Hallmark Events and Measures of Reach and Audience Characteristics. *Journal of Advertising Research*, 53-59.

Rossiter, J. R. (2002) The C-OAR-SE procedure for scale development in marketing, *International Journal of Research in Marketing,* 19**,** 305-335.

Rothausen, T.J, Gonzales, J.A., Clarke, N.E., O’Dell, L.L (1998) Family friendly Backlash – Fact or Fiction? The case of Organizations’’ on-site child care centres *Personnel Psychology* 51, 685-705.

Rozin, P. I. E. (Ed.) (1996) *The socio-cultural context of eating and food choice,* London, Blackie Academic and Professional.

Rubin, H., J., Rubin, I., S. (2005) *Qualitative Interviewing: the art of hearing data,* California, Sage.

Ryan, C. (2002) *The Tourist Experience: A New Introduction,* Melbourne, Cengage Learning EMEA.

Saimiee, S. (1994) Customer evaluation of products in a global market. *Journal of International Business Studies,* 25, 579-604.

Samuelson, P. (1938) A Note on the Pure Theory of Consumer's Behaviour. *Economica,* 5, 61.

Saunders, R. (1739) *Poor Richard's Almanac,* Philadelphia, Penn., Benjamin Franklin.

Schermerhorn,J.R., Bond, M.H. (1989) Upward and Downward Influence Tactics in Managerial Networks, *Asia Pacific Journal of Management,* 8,2,147-158.

Schiffman, L., Bednall, D.,Cowley, E.,O'Cass, A.,Watson, J.,Kanuk, L. (2001) *Consumer Behaviour,* Frenchs Forrest, Prentice Hall.

Schmitt, B. H. (2003) *Customer Experience Management,* Hoboken, N.J., John Wiley & Sons.

Schumann, D. W., Artis, A., Rivera, R. (2001) The Future of Interactive Advertising. *Journal of Interactive Advertising,* 1 (2) (jihad.org).

Schumann, D. W. (2002) Media Factors That Contribute to a Restriction of Exposure to Diversity, In Shrum, L. J. (Ed.) *The Psychology of Entertainment Media.* New York, Lawrence Erlbaum Associates.

Sears D., P., L., Taylor,S. (1991) *Social Psychology 7th edition*, Englewood Cliffs, NJ, Prentice-Hall.

Shani, D., Chalasani,S., (1993) Exploiting Niches using Relationship Marketing *Journal of Consumer Marketing,* 9, 33-42.

Shani, D. (1997) A framework for implementing relationship marketing in the sport industry. *Sport Marketing Quarterly,* 6, 9-16.

Shaw, A. W. (1915) *Some Problems in Market Distribution,* Boston, Harvard University Press.

Sherwood, P., Jago,L., Deery, M. (2005) Triple Bottom Line Evaluation of Special Events: Does the Rhetoric Reflect Reporting. *CAUTHE.* Alice Springs, CAUTHE.

Sherwood, P. (2007) A Triple Bottom Line Framework to Evaluate the Impact of Special Events: The Development of Indicators, *Centre for Hospitality and Tourism Research.* Melbourne, Victoria University.

Sheth, J., Parvatiyar, A. (Ed.) (2000) *Handbook of Relationship Marketing,* Thousand Oak California, Sage Publications.

Sheth, J. N., Gross, B.L. (1988) Parallel Developments of Marketing and Consumer Behaviour. In Nevett, T. F., R.A. (Ed.) *Historical Perspectives in Marketing.* Lexington MA, Lexington Books.

Sheth, J. N., Sisodia, R. (1995) Improving Marketing Productivity. In Heibrunn, J. (Ed.) *Marketing Encycolpedia.* Illinois, NTC Books.

Sheth, J. N., Sisodia, R., Sharma,A. (2000) Antecedents and Consequences of Customer Centric Marketing. *Journal of the Academy of Marketing Science,* 28, 55-66.

Shone, A., Parry, B. (2004) *Successful Event Management,* Oxford, Thomson Learning.

Sirdeshmukh, D., Singh. J., Sabol, B. (2002) Consumer trust, value, and loyalty in relational exchanges. *Journal of Marketing,* 66, 15.

Smith, P. R., Taylor J. (1998) *Marketing Communications: An Integrated Approach 2nd edition,* London, Kogan Page.

Smith, P. R., Taylor, J (2004) *Marketing Communications: An Integrated Approach 4th edition,* London, Kogan Page.

Sneath, J., Finney, R.Z., Close, G (2005) An IMC Approach to Event Marketing: The effects of Sponsorship and Experience on Customer Attitudes. *Journal of Advertising Research***,** 373-381.

Sodexho (2001) Corporate Hospitality Industry Report: Sodexho, Kenley, Surrey

Solomon, R. (1992) *Ethics and Excellence: Cooperation and Integrity in Business,* Oxford, Oxford University Press.

Sorce, P. (2002) Relationship Marketing Strategy. Rochester NY, Rochester Institute of Technology

Sorensen, O. J. (2008) The Economics of Networking. Aalborg, Aalborg University 1-32.

Sorrentino, R. M. H., E. TORY (1986) *Handbook of motivation and cognoition: Foundation of Social behaviour,* New York, Guildford Press.

South Australian Motorsport Board (2006) Annual Report, Adelaide, South Australia.

Sparks, B. A., Callan, V.J. (1996) Service Breakdowns and Service Evaluations: The Role of Customer Attributions. *Journal of Hospitality and Leisure Marketing,* 4**,** 3-24.

Srinivasan, S. (2004) Customer relationship management: its dimensions and effect on customer outcomes. *Journal of Personal Selling & Sales Management,* Fall, 1-27.

Srinivasan, S., Moorman, C. (2005) Strategic Firm Commitments and Rewards for Customer Relationship Management in Online Retailing. *Journal of Marketing,* 69, 193-200.

Standeven, J., Knop, P. (1999) *Sport Tourism,* Champaign IL, Human Kinetics.

Steckler, A., Mcleroy, K.R., Goodman R.M., Bird S.T., McCormick L. (1992) Toward Integrating Qualitative and Quantitative Methods: An Introduction. *Health Education Quarterly,* 19, 1-18.

Stoltar, D. K. (1999) Sponsorship in North Amercia: A survey of sport executives. . *Journal of Sport Marketing and Sponsorship,* 1, 87-99.

Stoltar, D. K. (2004) Sponsorship Evaluation: Moving from Theory to Practice. *Sport Marketing Quarterly,* 13, 61-70.

Stone, M. A., Desmond,J. (2007) *Fundamentals of Marketing,* Oxford, Routledge.

Strauss, A. (1987) *Qualitative Analysis for social scientists,* Cambridge, Cambridge University Press.

Strauss, A. C., J. (1990) *Basics of qualitative research: Grounded theory procedures and techniques,* Newbury Park, Sage.

Strong, E. K. J. (1928) *The Psychology of Selling and Advertising,* New York, McGraw Hill.

Sydney Morning Herald (31 October 2007, p.5) Australian Grand Prix loses $34M, Sydney.

Takatsuki, Y. (2006) VIP Treatment at Sports Ground. London, BBC (bbc.co.uk).

Tanford, S. P., S. (1984) Social influence model: A formal integration of research on majority and minority processes. *Psychological Bulletin***,** 31-48.

Tashakkori, A., Teddlie, C. (Ed.) (2003) *Handbook of Mixed Methods in Social and Behavioural Research,* London, UK, Sage.

Telfer, E. (1996) *Food for Thought: Philosophy and Food,* London, Routledge.

Thomas, J., Gupta, R.K. (1995) Marketing Theory and Practice: Evoloving through Turbulent Times. *Global Business Review,* 6**,** 95-106.

Thomas, R. M. (2003) *Blending Qualitative and Quantitative Research,* Thousand Oaks, Calif, Corwin Press, 95-112.

Thorelli, H. B. (1986) Networks: Between Markets and Hierarchies. *Strategic Management Journal,* 1**,** 37-51.

Tikkanen, H. (1998) The Network Approach in Analyzing International Marketing and Purchasing Operation: A Case Study of a European SME's Focal Net 1992-1995, *Journal of Business and Industrial Marketing,* 13**,** 2 109-156..

Tourism Australia (2007) Tourism Industry Economic Value 2005-2006.

Tourism, Queensland (2003) Sporting Tourism, In Queensland Tourism (Ed.) Brisbane, Research Department.

Toy, M. (2009) Grand Prix Interest Wanes. *Sunday Herald Sun.* Melbourne.

Tripodi, J.A. 2001. Sponsorship – a confirmed weapon in the promotional armoury. *International Journal of Sports Marketing and Sponsorship* 3, 1, 95-116.

Trivers, J. (1996) *One Stop Marketing,* Canada, John Wiley & Sons.

Tschirhart, T. S. A. J. (1997) Club Theory: Thirty years later. *Public Choice*, 335-355.

Tzokas, N., Saren, M. (1996) *Relationship marketing in consumer markets: from the private to the communa*l, In Verbcke, W and Weitz,B. (Eds) 1996 EIAM, Seminar on Relationship Marketing in an Era of Hyeper Competition, Rotterdam

Van Manen, M. (1990) *Reseaching Lived Experience: Human Science for an Action Sensitive Pedagogy,* New York, Suny Press.

Veal, A. J. (1997) *Research Methods for Leisure and Tourism A Practical Guide,* Harlow, Pearson Education Limited.

Verhoef, P. (2003) Understanding the Effect of Customer Relationship Retention and Customer Share Development. *Journal of Marketing,* 67, 30-45.

Visser, M. (1991) *The Rituals of Dinner,* London, Penguin.

Vroom, V. H. (1964) *Work and Motivation,* New York, Wiley.

Waitt, G. (1999) Playing Games with Sydney: Marketing Sydney for the 2000 Olympics. *Urban Studies,* 36**,** 1055-1077.

Walter, A. (1999) Relationship Promoters: Driving Forces for Successful Customer Relationships. *Industrial Marketing Management,* 28**,** 537-551.

Ward, A., Frew, E. Caldow, D. (1997) An Extended List of the Dimensions of Relationship in Consumer Service Product Marketing: A Pilot Study. *American Marketing Association.* AMA.

Ward, T., Dagger,T.S. (2007) The Complexity of Relationship Marketing for Service Customers. *Journal of Services Marketing,* 21**,** 281-290.

Washington, S. (2008) Their Party, Your Money. *The Age.* Melbourne.

Watts, S. (2006) *The People's Tycoon: Henry Ford and the American Century,* NY, Vintage Books.

Weaver, D., Oppermann, M. (2000) *Tourism Management,* Brisbane, John Wiley & Sons.

Weitz, B.A. (1978) Relationship between Salesperson Performance and Understanding of Customer Decision Making, *Journal of Marketing Research* 15, 4,1978 501-516

Weld, L. D. H. (1916) *The Marketing of Farm Products,* NY, Macmillan Co.

Wicks, B. E., Fesenmaier D.R. (1995) Market Potential for Special Events: A Midwestern Case Study. *Festival Management & Event Tourism,* 25-31.

Wilkinson, I, Young, L. (2001) On cooperating: firms, networks and relations, *Journal of Business Research,* 55, 2, Feb, 123-132

Williamson, O. E. (1975) *Markets and Hierarchies: Analysis and Antitrust Implications,* New York, NY, Free Press.

Wolcott, H. F. (1990) *Writing Up Qualitative Research,* Newbury CA., Sage.

Yakimova, R., Beverland, M. (2005) The Brand-Supportive Firm: An Exploration of Organisational Drivers of Brand Updating. *Journal of Brand Management*, 12**,** 445-460.

Yankelovich, D., Barrett W. (1971) *Ego and Instinct The Psycoanalytic View of Human Nature,* New York, Random House.

Yoon, R., Bash, D., King,J. (2008) Romney suspends presidential campaign.

Zeithaml, V. A. (1988) Consumer Perceptions of Price, Quality and value: A Means End Model and Synthesis of Evidence. *Journal of Marketing*, 52**,** 2-22.

Zeithaml, V. A., Bitner, M.J. (1996) *Services Marketing*, McGraw-Hill.

APPENDICES

APPENDIX A

INTERVIEW GUIDE FOR CORPORATE HOSPITALITY PRACTITIONERS

APPENDIX B

CORPORATE HOSPITALITY GUEST QUESTIONNAIRE

APPENDIX –A-

Corporate Hospitality - INTERVIEW GUIDE – Phase One-

PART ONE:

(i) CORPORATE HOSPITALITY & COMPANY OBJECTIVES

When I say Corporate Hospitality, what are your initial thoughts of this practice?

Why do you say that?

Do you engage in a corporate hospitality program for your stakeholders?

Is it based on a single event per year or multiple events held during each year? Which events are favoured?

How long have you conducted this program?

What % of your annual marketing expenditure is allocated to CH?

(How much do you spend each year on corporate hospitality?)

Do you see this figure as stable or is it likely to alter in the future.

Less or more $$$ and why?

Why do you have a corporate hospitality program?

What are the key reasons that you engage in it?

Does this expenditure compete against other forms of marketing? If so, which ones and how do you trade off one from the other?

What do you see as the key objectives of CH?

APPENDIX –A-

(ii) **MEASUREMENT**

Do you measure the value of your customers on a regular basis?

If so how?

Do you measure the amount of money that you spend on entertaining customers through corporate hospitality and other expenses each year?

How do you tie back the investment of your corporate hospitality program against your key objectives?

If No

Would you like to know whether there has been a return on the investment expended?

Do you think that the rise in interest in shareholder activism and Corporate Social Responsibility will impact on firms engaging in CH

Do you have any plans to change your Corporate Hospitality programs as a result of increased interest in CSR and Shareholder activism?

If so what are they?

What do you see as the key benefits of CH?

Do you attempt to measure them?

- Is it your opinion that Corporate Hospitality increases purchase confidence in the recipients?
- Do you believe that CH enhances a firm's reputation with customers?
- Do you believe that Corporate Hospitality provides a competitive advantage for those firms that engage in it?
- Does CH in your opinion build firm credibility with customers? How does that occur?
- Do you believe that Corporate Hospitality increases purchase confidence in recipients?
- Why do you say that?

- Do you believe that Corporate Hospitality enhances the firm reputation with customers? How does it do that?

- Do you think of Corporate Hospitality as a reward for loyalty and a demonstration of firm-customer commitment?

- Do you believe that Corporate Hospitality grows customer-firm relationships?

- Do you believe that Corporate Hospitality allows a firm to charge a price premium for goods and services?

Is improving the measurement of outcomes of Corporate Hospitality Expenditure a priority for your firm?

(iii) STAKEHOLDER BENEFITS

Do you view Corporate Hospitality as a benefit to staff who host customers?

Does your firm use Corporate Hospitality to engage stakeholders other than customers? What stakeholder groups are they?

Does Corporate Hospitality enhance the firm reputation with stakeholders other than customers?

Do you view Corporate Hospitality as a superior form of engagement with stakeholders? If not what other forms are more efficacious and how do they outperform CH?

(iv) CH AS A STRATEGIC MARKETING TOOL

Do you think that Corporate Hospitality should play a fundamental role in our customer/stakeholder engagement strategies? If Yes/No Why?

Do you think that Corporate Hospitality allows your firm to project a positive image to stakeholders?

Does Corporate Hospitality allow your firm to retain customers?

Does Corporate Hospitality allows you to increase sales from existing customers

Has Corporate Hospitality allowed your firm to gain new customers?

When marketing to customers are there better forms of engagement than that offered by CH?

Has your expenditure in Corporate Hospitality increased or decreased in the last 2 years?

Will your company expenditure in Corporate Hospitality increase in the coming 2 to 5 years

During tougher economic times what pressures does this place on CH expenditure?

Do you feel compelled to invest in Corporate Hospitality based on customer expectations of reward?

Are there other ways to reward customer loyalty?

What are they?

Would your firm cease to invest in Corporate Hospitality if our competitors were not using it either? Why?

(v) CH - ISSUES

Based on your experiences are there ways that you can see to improve CH expenditure?

Does your firm have difficulty inviting the right people to your Corporate Hospitality facilities?

Does your firm often have a problem with invited guests that no-show (do not turn up) at the event?

How do you deal with that?

Does your firm have a formal process of following up with guests after attendance at one of your corporate hospitality events?

What form does this take and what do you ask them?

Does your firm seek to better qualify and quantify the success of your Corporate Hospitality programs that you may run in the future.

APPENDIX –A-

Does your firm need to educate employees in hosting responsibilities for Corporate entertainment?

Has your firm experienced any negative issues arising from Corporate Hospitality? If so what were they?

Would your Corporate Hospitality expenditure be affected by a slowdown in business activity?

Do you believe that the CEO/MD or Marketing Director invests in Corporate Hospitality that meets their interests, independently of what may suit the intended recipients?

Have you ever be invited to Corporate Hospitality at a major event? What were your impressions?

Did that attendance change the way you thought about the practice?

If so how?

Would you say that the CH experience that you attended changed your perception or attitude to the host or the organisation?

How, positively or negatively?

In closing, is there anything further you could add regarding your thoughts related to Corporate Hospitality?

CH EXPERIENCE ELEMENTS

Can you comment on how significant each of the following elements is in terms of a Corporate Hospitality Experience?

The Event itself?

The Food and Beverage provided to guests? – Quality /Quantity

The Service (staff) and facilities? Car parking

The composition of the invited guests? (Coterie)

The chance for networking /face to face time?

PART TWO: INFORMANT DETAILS

About You:

Are you Female	(1)
Male	(2)

What is your age?

18-24 years	(1)
25-29 years	(2)
30-34 years	(3)
35-39 years	(4)
40-44 years	(5)
45-49 years	(6)
50-54 years	(7)
55-59 years	(8)
60-64 years	(9)
65 PLUS	(10)

Your role within the organisation

Director/Chairman	(1)
CEO/MD/GM	(2)
Marketing Director/Marketing Manager	(3)
Sales Director/Manager	(4)
Commercial Services Manager	(5)
Marketing Co-ordinator	(6)
Other	(7)

Years in your present role?

Less than 1 year	(1)
1-2 years	(2)
2-5 years	(3)
5 years PLUS	(4)

Your organisation

The numbers employed in your organisation

10 or less	(1)
10 -200	(2)
200 PLUS	(3)

APPENDIX –A-

Your organisation is in the following industry grouping:

Accountancy/Audit	(1)
Advertising/Media/Entertainment	(2)
Banking/Financial Services	(3)
Construction	(4)
Consultancy	(5)
Education & Training	(6)
Engineering	(7)
Government/Defence	(8)
Healthcare/Medical	(9)
Hospitality/Tourism	(10)
HR & Recruitment	(11)
Insurance & Superannuation	(12)
IT & T	(13)
Legal	(14)
Manufacturing	(15)
Mining/Oil and Gas	(16)
Real Estate & Property	(17)
Retail	(18)
Transport & Logistics	(19)
Other	(20)

Quotas
Only total quota of N=200

Corporate Hospitality – CH Guests
Self Complete Questionnaire (Phase Two)

Introduction

ASK ALL
SR
Q17. About You…?

Female	(1)
Male	(2)

ASK ALL
SR
OE NUM
Q18. What is your age?

Dummy variable to store following age breaks;
DumQ18
Terminate if code 11 '0-17 years'

0-17 years	(11)
18-24 years	(1)
25-29 years	(2)
30-34 years	(3)
35-39 years	(4)
40-44 years	(5)
45-49 years	(6)
50-54 years	(7)
55-59 years	(8)
60-64 years	(9)
65 PLUS	(10)

ASK ALL
SR

Terminate if Code 2,3,4,5,6,7,8 (Proceed with 1 and discontinue survey for all other responses)

Q1. Which of the following best describes your occupation status?

Employed full-time	(1)
Employed part-time	(2)
Self employed	(3)
Home duties	(4)
Retired	(5)
Student	(6)
Unemployed	(7)
Semi-retired	(8)

ASK ALL

SR

Terminate if Code 6,7,8,9,10 (Proceed with 1-5 discontinue survey for responses 6-10)

Q2. Which of these best describes your role within your organisation?

Board Director	(1)
Company Owner/Founder	(2)
Partner	(3)
Senior Executive/Manager	(4)
Departmental Manager/Middle Manager	(5)
Junior Manager/Team Leader/Supervisor	(6)
Sales Representative (non managerial)	(7)
Technical staff (R&D, Engineering etc.)	(8)
Administration (Financial and Clerical)	(9)
Other (non managerial)	(10)

SECTION ONE: INVITATION AND ATTENDANCE

ASK ALL
SR
Terminate if Code 7 'I did not attend'

Q3. Over the last 12 months have you attended Corporate Hospitality at a special event? If so, on how many occasions in the last year did you attend Corporate Hospitality at a special event?

I did not attend	(7)
Once	(1)
Twice	(2)
3 times	(3)
4 times	(4)
5 times	(5)
More than 5 times	(6)

ASK ALL
SR
Please insert a small text box at code 98

Q4. What was the last type of event you attended?

Hosted restaurant or banquet dinner	(1)
Golf Day or attendance at a Golf Tournament	(2)
Motorsport Event (examples V8, F1 Grand Prix, Moto GP)	(3)
Spring Racing Carnival (Melbourne Cup, Oaks, Derby etc)	(4)
Cricket	(5)
Football Home & Away series (AFL,NRL,Rugby,Soccer)	(6)
Football Finals incl. Grand Final (Origin,NRL,AFL,Soccer)	(7)
Athletics	(8)
Music/Dance - Concert, Contemporary or Classical	(9)
Basketball/Netball	(10)
Other (please specify) ______________________________	(98)

ASK ALL
SR

Q5. How long has it been since you attended this event?

In the last 3 months	(1)
Between 3 and 6 months	(2)
Between 6 and 9 months	(3)
Between 9 and 12 months	(4)

ASK ALL
SR
Q6. For the most recent event you attended, how far in advance of the event date did you receive the invitation?

On the day	(1)
In the week leading up to the event	(2)
A week to two weeks prior to the event	(3)
Between two weeks and a month prior to the event	(4)
In excess of a month prior to the event	(5)

ASK ALL
GRID (SR PER ROW)
Q7. On receiving the invitation did it create in you a sense of….?

Scale where **1 = Strongly Disagree and 7 = Strongly Agree**

	Strongly Disagree						**Strongly Agree**
Excitement	1	2	3	4	5	6	7
Obligation	1	2	3	4	5	6	7
Expectation	1	2	3	4	5	6	7
Curiosity	1	2	3	4	5	6	7
Anticipation	1	2	3	4	5	6	7
Acknowledgment	1	2	3	4	5	6	7
Satisfaction	1	2	3	4	5	6	7
Indifference	1	2	3	4	5	6	7
Achievement	1	2	3	4	5	6	7

ASK ALL
SR
Q8.1 Was there anything special about the invitation itself that influenced your acceptance?

Yes	(1)
No	(2)

ASK IF CODE 1 'YES' AT Q8.1
SR
PLEASE INSERT 1 MEDIUM TEXT BOX
Q8.2 Please specify what was special?

____

ASK ALL
GRID (SR PER ROW)

Q9. In your opinion, how important were the following factors in the host's decision to invite you to the event?

Scale where **1 = Very Unimportant and 7 = Very Important**

	Very Unimportant						**Very Important**	
The potential I hold to do business with the host organisation	1	2	3	4	5	6	7	N/A
My past business transactions with the host organisation	1	2	3	4	5	6	7	N/A
A reward for my own or my organisation's loyalty to the host organisation	1	2	3	4	5	6	7	N/A
I am a friend of the host	1	2	3	4	5	6	7	N/A
The invited party could not attend, I received the invitation by default	1	2	3	4	5	6	7	N/A
I won the invitation as a prize	1	2	3	4	5	6	7	N/A
I am a staff member of the host organisation	1	2	3	4	5	6	7	N/A

ASK ALL
GRID (SR PER ROW)

Q10. When accepting the most recent invitation to attend Corporate Hospitality at the event you attended which of the following were factors in your decision to accept?

Scale where **1 = Very Unimportant and 7 = Very Important**

	Very Unimportant						**Very Important**	
Your interest in the event itself	1	2	3	4	5	6	7	N/A
The prestige & exclusivity of the opportunity to attend	1	2	3	4	5	6	7	N/A
The likely quality of the Food and Beverage	1	2	3	4	5	6	7	N/A
The history and relationship that you have with the host or host organisation	1	2	3	4	5	6	7	N/A
The chance to network & gain market intelligence	1	2	3	4	5	6	7	N/A
The venue, its services and facilities	1	2	3	4	5	6	7	N/A
The opportunity of a social occasion with my partner	1	2	3	4	5	6	7	N/A
Past Corporate Hospitality experience of this event or one like it	1	2	3	4	5	6	7	N/A

ASK ALL
SR

Q11. My partner plays a significant role in whether I/we decide to accept an invitation?

Never	(1)
Rarely	(2)
Sometimes	(3)
In most cases	(4)
Always	(5)

SECTION TWO:

THE EVENT & CORPORATE HOSPITALITY EXPERIENCE

ASK ALL
GRID (SR PER ROW)

Q12. **Dimensions of the Corporate Hospitality Experience**

How important is each of these dimensions to your overall enjoyment of a Corporate Hospitality experience?

Scale where **1 = Very Unimportant and 7 = Very Important**

	Very Unimportant						**Very Important**
The presentation of the food served	1	2	3	4	5	6	7
A variety of food that is flavoursome	1	2	3	4	5	6	7
That the range of beverages include wines and beers of a high standard	1	2	3	4	5	6	7
That the venue and event service staff are friendly and efficient	1	2	3	4	5	6	7
That car parking is provided	1	2	3	4	5	6	7
That the host organisation is welcoming of me and my partner	1	2	3	4	5	6	7
The social interaction with other guests	1	2	3	4	5	6	7
The event is held outside normal business hours	1	2	3	4	5	6	7

PROGRAMMER NOTE: PLEASE SHOW BELOW INFORMATION BEFORE PROCEEDING Q13

Please answer the following questions with reference to your most recent experience of Corporate Hospitality in reference to the hosting organisation.

ASK ALL
GRID (SR PER ROW)

Q13. My hosts were…

Scale where **1 = Strongly Disagree and 7 = Strongly Agree**

	Strongly Disagree						Strongly Agree
Friendly	1	2	3	4	5	6	7
Hospitable	1	2	3	4	5	6	7
Courteous	1	2	3	4	5	6	7
Engaging	1	2	3	4	5	6	7
Absent for periods of time	1	2	3	4	5	6	7

ASK ALL
GRID (SR PER ROW)

Q14. **Please indicate your strength of agreement with the following statements.**

Scale where **1 = Strongly Disagree and 7 = Strongly Agree**

	Strongly Disagree						Strongly Agree
It is important for me to meet new people at events such as these	1	2	3	4	5	6	7
Networking at these events is important to me	1	2	3	4	5	6	7
The opportunity provided to gain market intelligence at events such as these is important to me	1	2	3	4	5	6	7
The opportunity to learn of new job or business opportunities is important to me	1	2	3	4	5	6	7

SECTION THREE: **POST EVENT**

ASK ALL
GRID (SR PER ROW)

Q15.Based on my decision to accept the invitation to the last Corporate Hospitality event, I feel a sense of obligation to my host

Scale where **1 = Strongly Disagree and 7 = Strongly Agree**

	Strongly Disagree						**Strongly Agree**
	1	2	3	4	5	6	7

ASK ALL
GRID (SR PER ROW)

Q16. Based on your most recent experience of attending the Corporate Hospitality event please answer the following questions according to the way you feel about the host organisation.

Scale where **1 = Strongly Disagree and 7 = Strongly Agree**

	Strongly Disagree						**Strongly Agree**	
I feel a stronger bond to the host organisation as a result of attendance	1	2	3	4	5	6	7	N/A
I feel a greater sense of loyalty to the host organisation	1	2	3	4	5	6	7	N/A
The relationship I have with the host organisation has become closer since attending	1	2	3	4	5	6	7	N/A
I am more favourably disposed to speaking positively about the host organisation to peers or colleagues	1	2	3	4	5	6	7	N/A
I intend to increase my purchases or transactions with the host organisation	1	2	3	4	5	6	7	N/A
I will decrease my purchases or transactions with the host organisation	1	2	3	4	5	6	7	N/A
It will make no difference to the purchases or transactions with the host organisation	1	2	3	4	5	6	7	N/A
I learnt more about the host organisation, its products and services than I knew before attending the event	1	2	3	4	5	6	7	N/A
The host organisation understands how their goods and services impact our operation	1	2	3	4	5	6	7	N/A
The host organisation is genuinely interested in our business success	1	2	3	4	5	6	7	N/A

SECTION FOUR: INFORMANT DETAILS

ASK ALL
SR

Q19. What is your highest level of education?

Secondary School (Up to Y12)	(1)
Trade Qualification (TAFE or similar)	(2)
Certificate or Diploma	(3)
University Bachelors Degree	(4)
Post Graduate	(5)

ASK ALL
SR
Q20. How many years have you spent in your present role?

Less than 1 year	(1)
1-2 years	(2)
3-5 years	(3)
More than 5 years	(4)

ASK ALL
SR
Q 21.

The numbers employed in your organization.

10 or less	(1)
11 -200	(2)
201+	(3)

ASK ALL
SR
Please insert a small text box at code 98

Q22. Your organisation is in the following industry grouping:

Business Services (Accounting/Legal/Mgmt Consulting etc)	(1)
Advertising/Media/Entertainment	(2)
Banking/Financial Services/Insurance	(3)
Construction/Manufacturing/Engineering	(4)
Education & Training	(5)
Government/Defence/Healthcare	(6)
Hospitality/Tourism	(7)
IT & T /Logistics	(8)
Mining/Oil and Gas	(9)
Property	(10)

Retail	(11)
Other	(98)

Please specify ____________________

ASK ALL
SR

Q23. Do you have purchasing responsibility?

Yes	(1)
No	(2)

ASK If YES at Q23

Q24. Your signatory rights for company purchases are?

Less than $1001	(1)
$1001-$5000	(2)
$5001- $25000	(3)
$25001-$100000	(4)
$100001- above	(5)

DECLARATION

I, Colin Norman Drake, declare that the PhD thesis entitled "A conceptual framework for assessing the role that Corporate Hospitality plays on customer loyalty and purchase intentions" is no more than 100,000 words in length including quotes and exclusive of tables, figures, appendices, bibliography, references and footnotes. This thesis contains no material that has been submitted previously, in whole or in part, for the award of any other academic degree or diploma. Except where otherwise indicated, this thesis is my own work.

Signature Date: 06/04/11

Colin N. Drake