

Standard Resort Hospitality Elements: A Performance and Impact Analysis

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Presentation Overview

- ◆ Introduction
- ◆ Literature Review
- ◆ Methodology
- ◆ Results
- ◆ Discussion



Introduction

- ◆ Resort selection generally relates to a particular activity (Brey & Lehto, 2007)
- ◆ Common factors that exist across resort type or amenity focus
- ◆ Focus on developing a better understanding of these elements
- ◆ A modified IPA analysis that considers salience and determinant status (Keyt, Yavas, Riecken, 1994)
 - ◇ Importance and relative performance



Literature Review - SRHE

- ◆ Six primary studies served as the basis for element development
 - ◇ 18 attributes to consider
- ◆ Builds upon previous literature that identified groups of attributes (Brey, Klenosky, Lehto, Morrison, 2008)
 - ◇ Feature-based
 - ◇ Activity-based
 - ◇ Business-based



Literature Review - SRHE

Element Examined	Source					
	Johanson, Woods, and Sciarini (2001)	Knutson, Beck, and Yen (2004)	Ormiston, Gilbert, and Manning (1998)	Uysal, Howard, and Jamrozy (1992)	Verhoven and Masterson (1996)	Hudson and Shepherd (1998)
Ambiance or resort feel						•
Lodging features/amenities			•	•	•	•
Customer service quality	•		•	•	•	•
Cost of stay given value	•		•			•
Property condition/physical characteristics	•		•	•		•
Resort information accuracy	•			•		•
Resort's reputation		•				
Geographic location			•			
Food and beverage services		•	•	•	•	•
Surrounding community	•					
Outdoor recreation	•	•	•	•	•	•
Indoor recreation	•	•		•	•	•
Having diverse activities or options for everyone	•		•		•	
Entertainment activities	•	•		•	•	•
Well-being-related services				•	•	
Family services	•	•	•		•	
Technology availability	•				•	
Business services		•				

Note: Under each author listing, hospitality elements that were investigated in the corresponding study are identified.



Variable Introduction

- ◆ **Ambiance** (4.58)
 - ◇ The feel of the property (Hudson & Shepherd, 1998)
- ◆ **Lodging features** (4.54)
 - ◇ The 'sleeping' component (Verhoven & Masterson, 1996)
- ◆ **Service quality** (4.51)
 - ◇ Overall quality of service (Johanson, Woods and Sciarini, 2001)
- ◆ **Value** (4.44)
 - ◇ Cost of stay given the return (Ormiston, Gilbert & Manning, 1998)



Variable Introduction

- ◆ **Physical condition** (4.43)
 - ◇ Overall condition and characteristics (Hudson & Shepherd, 1998)
- ◆ **Marketing information** (4.41)
 - ◇ Provided information accuracy (Uysal, Howard & Jamrozy, 1992)
- ◆ **Reputation** (4.37)
 - ◇ An existent perception (Knutson, Beck & Yen, 2004)
- ◆ **Location** (4.28)
 - ◇ The physical property placement (Ormiston, Gilbert & Manning, 1998)



Variable Introduction

- ◆ **Food & beverage** (4.09)
 - ◇ Culinary provisions (Hudson & Shepherd, 1998)
- ◆ **Community** (3.92)
 - ◇ Area around the property (Johanson, Woods and Sciarini, 2001)
- ◆ **Outdoor recreation** (3.89)
 - ◇ Outside specific (Verhoven & Masterson, 1996)
- ◆ **Indoor recreation** (3.84)
 - ◇ Indoor specific (Knutson, Beck & Yen, 2004)



Variable Introduction

- ◆ **Activity diversity** (3.74)
 - ◇ **Options for everyone** (Ormiston, Gilbert & Manning, 1998)
- ◆ **Entertainment** (3.17)
 - ◇ **Specific activity type** (Uysal, Howard & Jamrozy, 1992)
- ◆ **Health services** (3.14)
 - ◇ **Spa and well-being** (Verhoven & Masterson, 1996)
- ◆ **Family** (2.91)
 - ◇ **Services for everyone** (Knutson, Beck & Yen, 2004)



Variable Introduction

- ◆ **Technology** (2.78)

 - ◇ Internet service extended (Verhoven & Masterson, 1996)

- ◆ **Business services** (2.21)

 - ◇ Productivity (Knutson, Beck & Yen, 2004)

- ◆ **True differentiation**

 - ◇ Minimal differences between many variables

 - ◇ Herzberg's Two Factor Theory (Herberg & Mausner, 1959)



Literature Review - IPA

- ◆ Importance-Performance Analysis
 - ◇ Service gap analysis
- ◆ A modified IPA analysis that considers salience and determinant status (Keyt, Yavas, Riecken, 1994)
 - ◇ Method to mediate methodology weakness
 - ◇ Competition & consumer influence (Burns, 1986; Engle, Blackwell, Miniard, 1990)
 - ◇ Loyalty can be attributed to performance (Meng, Tepanon & Uysal, 2008)



Methodology

- ◆ Part of a larger study examining consumers
 - ◇ Two U.S. Mid-West water park resorts
- ◆ SRHE validation
 - ◇ Web site verification, 10 destination properties
 - ◇ Industry expert verification (52 GM or higher)
 - ◇ Pilot test interview (35 individuals)
- ◆ Survey distributed via web-based means
 - ◇ 19% average response rate (671 respondents)
 - ◇ Trip characteristics, SHRE Likert Scale values, Loyalty



Methodology

- ◆ Importance Performance Analysis

 - ◇ Traditional grand means calculation (Zhang & Chow, 2004)

- ◆ Modified IPA calculations

 - ◇ Attribute salience (position to grand mean)

 - ◇ Regression determinance (loyalty)

 - ◇ Own performance

 - ◇ Relative performance (one competitor)



Modified Matrix

Attribute Saliency	Loyalty Determinance	Own Performance	Relative Performance	Outcome
Salient	Determinant	Pass	Better	1. Long-Term Leverage
			Worse	2. Important Competitive Concern
		Fail	Better	3. Expectations Maintenance
			Worse	4. Priority Improvement
	Non-Determinant	Pass	Better	5. Instant Advantage
			Worse	6. Apparent Concern
		Fail	Better	7. Operational Opportunity
			Worse	8. Competitive Disadvantage
Non-Salient	Determinant	Pass	Better	9. Prolonged Potential
			Worse	10. Enduring Competitive Issue
		Fail	Better	11. False Sustained Benefit
			Worse	12. Reserved Alert
	Non-Determinant	Pass	Better	13. Illusionary Advantage
			Worse	14. Artificial Shortcoming
		Fail	Better	15. Simulated Advantage
			Worse	16. False Alarm

**Adapted from Keyt et al, International Journal of Retail & Distribution Management, 22, 5, 35-40: 1994.



The Sample

Variable	Frequency	%	Variable	Frequency	%
Gender			Marital status		
Male	199	29.7	Living with partner	22	3.3
Female	409	61.0	Married	497	74.1
Age			Separated/divorced	43	6.4
18-29	35	5.2	Single, never married	42	6.3
30-39	193	28.8	Widowed	4	0.6
40-49	226	33.7	Employment Status		
50-59	89	13.3	Homemaker	48	7.2
60-69	45	6.7	Student	3	0.4
70+	20	3.0	Retired	37	5.5
Education			Disabled	4	0.6
Less than high school	1	0.1	Unemployed	5	0.7
High school graduate	72	10.7	Part-time	53	7.9
College courses	137	20.4	Full-time	438	65.3
Associate's degree	90	13.4	Ethnic Background		
Bachelor's degree	168	25.0	African American	5	0.7
Postgraduate courses	43	6.4	Asian American	4	0.6
Postgraduate degree	97	14.5	Caucasian	564	84.1
Household Income			Hispanic	9	1.3
< \$25,000	16	2.4	Native American	8	1.2
\$25,000 - \$49,999	108	16.1	Non-identified	18	2.7
\$50,000 - \$74,999	175	26.1			
\$75,000 - \$99,999	145	21.6			
>\$100,000	164	24.4			

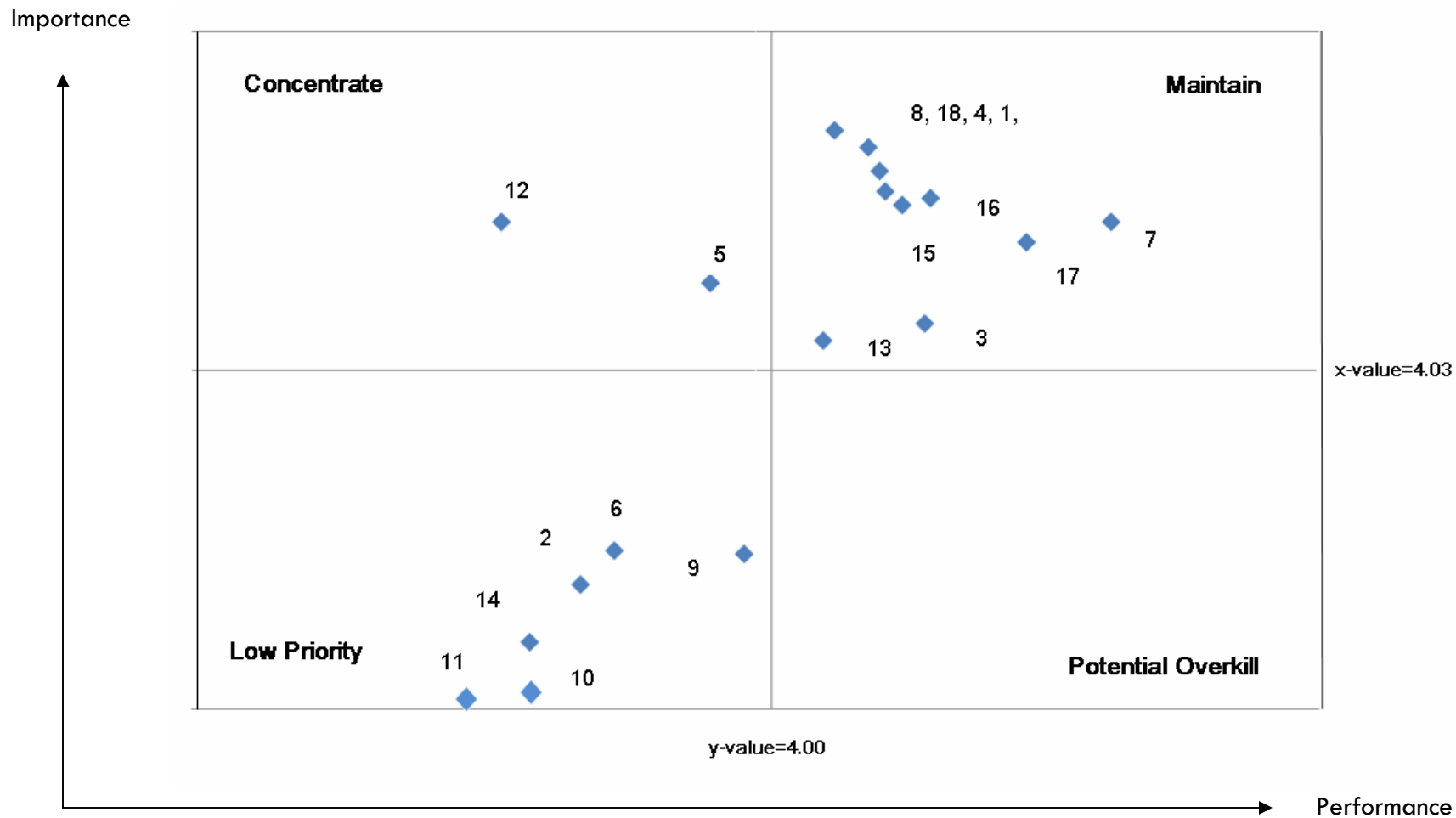


The Sample

Variable	Frequency	%	Variable	Frequency	%
Primary Purpose			Primary Decision Maker		
Leisure	286	42.6	Children	23	3.4
Business	51	7.6	Club/Organization	30	4.5
Mix of Both	312	46.5	Company	16	2.4
Travel Party Composition			Friend	16	2.4
Spouse/partner	485	72.3	Joint decision /partner	148	22.1
Children	461	68.7	Joint decision/kids	41	6.1
Parents	53	7.9	Other family	25	3.7
Distant relatives	23	3.4	Spouse/partner	19	2.8
Grandparents	12	1.8	Travel agent	2	0.3
Friends	108	16.1	Yourself	348	51.9
Business associates	24	3.6	Period of Visit		
Club members	19	2.8	Holiday	56	8.3
Fellow siblings	54	8.0	Weekend	296	44.1
Spouse's family	21	3.1	Weekday	244	36.4
			Spring	25	3.7
			Summer	264	39.3
			Fall	195	29.1
			Winter	43	6.4



Traditional IPA Results



Results

Attribute	Attribute Saliene ^a	Loyalty Determinance	Own Performance ^c	Relative Performance ^d
Ambiance	0.59	0.162 ^b	-0.37	0.16
Lodging features	0.66	0.161 ^b	-0.46	0.65
Service quality	0.64	-0.013	-0.57	0.29
Value	0.50	-0.014	-0.89	-0.17
Physical condition	0.51	-0.018	-0.23	0.17
Marketing information	0.50	-0.047	-0.20	0.15
Reputation	0.48	0.140 ^b	-0.30	0.64
Location	0.30	0.058 ^b	0.10	0.47
Food & beverage	0.14	0.012	-0.34	0.51
Community	0.24	0.018	0.19	0.75
Outdoor recreation	-0.53	0.061 ^b	0.32	0.33
Indoor recreation	0.38	-0.069 ^b	0.16	0.14
Activity diversity	0.11	0.026	0.03	0.68
Entertainment	-0.53	0.007	0.28	-0.39
Health services	-0.79	0.021	0.40	-0.46
Family	-0.51	0.023	0.52	0.38
Technology	-1.08	-0.004	0.76	0.16
Business Services	-1.60	-0.008	1.20	0.17

**Values based upon Likert Scale where 5 = very important to 1 = unimportant

^a Value of importance grand mean (3.97) – attribute importance score

^b Significant loyalty predictor at the .05 level (R=.266, F=10.956, .000)

^c Own performance based upon importance – performance

^d Relative performance based upon internal performance – competitor performance



Results

Outcome	Standard Resort Hospitality Elements
1. Long-Term Leverage	Community, Activity diversity, Location
2. Important Competitive Concern	
3. Expectations Maintenance	Lodging features, Food & Beverage, Reputation, Ambiance
4. Priority Improvement	
5. Instant Advantage	Indoor Recreation
6. Apparent Concern	
7. Operational Opportunity	Service Quality, Physical Condition, Marketing Information
8. Competitive Disadvantage	Value
9. Prolonged Potential	Outdoor Recreation, Family
10. Enduring Competitive Issue	Entertainment, Health Services
11. False Sustained Benefit	
12. Reserved Alert	
13. Illusionary Advantage	Technology, Business Services
14. Artificial Shortcoming	
15. Simulated Advantage	
16. False Alarm	



Discussion

- ◆ **Ambiance**

 - ◇ Maintain = Expectations Maintenance (Loyalty)

- ◆ **Lodging Features**

 - ◇ Maintain = Expectations Maintenance (Loyalty)

- ◆ **Service Quality**

 - ◇ Maintain = Operational Opportunity

- ◆ **Value**

 - ◇ Concentrate = Competitive Disadvantage



Discussion

- ◆ Physical Condition
 - ◇ Maintain = Operational Opportunity
- ◆ Marketing Information
 - ◇ Maintain = Operational Opportunity
- ◆ Reputation
 - ◇ Maintain = Expectations Maintenance (Loyalty)
- ◆ Location
 - ◇ Maintain = Long-Term Leverage (Loyalty)



Discussion

- ◆ Food & Beverage
 - ◇ Concentrate = Expectations Maintenance (Loyalty)
- ◆ Community
 - ◇ Maintain = Long-Term Leverage (Loyalty)
- ◆ Outdoor Recreation
 - ◇ Low Priority – Prolonged Potential (Loyalty)
- ◆ Indoor Recreation
 - ◇ Maintain = Instant Advantage
- ◆ Activity Diversity
 - ◇ Maintain = Long-Term Leverage (Loyalty)



Discussion

- ◆ Entertainment
 - ◇ Low Priority – Enduring Competitive Issue (Loyalty)
- ◆ Health Services
 - ◇ Low Priority – Enduring Competitive Issue (Loyalty)
- ◆ Family
 - ◇ Low Priority - Prolonged Potential (Loyalty)
- ◆ Technology
 - ◇ Low Priority – Illusionary Advantage
- ◆ Business Services
 - ◇ Low Priority – Illusionary Advantage



Future Research

- ◆ Further understand the relationship of SRHE and primary amenity attraction
 - ◇ Overall interaction between considerations
 - ◇ Negative loyalty indication (long-term considerations)
- ◆ Potential implications of modified IPA analyses
 - ◇ Maximize ROI in today's environment



Thank You

Any Questions?

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