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Customer Relationship Marketing By Destination Marketing Organizations Does It Lead To Favorable Behavioral Intentions To Meeting Planners?

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CUSTMOER RELATIONSHIP MARKETING BY DESTINATION MARKETING
ORGANIZATIONS: DOES IT LEAD TO FAVORABLE BEHAVIORAL INTENTIONS OF
MEETING PLANNERS?

by

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ABSTRACT

In convention market, one of the fastest growing sectors in hospitality industry, meeting planners play an important role to select a destination for their event. Therefore, a good relationship with them can be a competitive advantage for a convention destination considering a fierce competition among the destinations.

The objective of this study is to develop an empirically valid relationship marketing (RM) model that would verify the antecedents, mediators, and consequence of the relationship between the destination marketing organization (DMO) and meeting planners.

This study found three antecedents (i.e., customer orientation, familiarity, and reputation) of the RM mediating constructs that consist of satisfaction, trust, and commitment as well as consequence (i.e. behavioral intention) led by the RM mediators based on review of the literature. Therefore, the hypothesized relationships 1) between the antecedents and the mediators, 2) between the mediators, 3) and 3) between the mediators and the consequence in the model were tested by using structural equation modeling (SEM) with LISREL results. Eight out of eleven hypotheses were supported by the examination of path coefficients while 33 observed indicators were confirmed in the measurement model through confirmatory factor analysis (CFA). The SEM results showed the significant relationships that lead to meaningful implications in both industry and academia while this study is not immune to limitations that can be the starting points of recommendations for future studies. .

For my beloved ladies, my daughter, my wife, and my mother

ACKNOWLEDGMENTS

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CHAPTER ONE: INTRODUCTION

Background of the Study

Growth of the Convention Market

As the meeting and convention industry continues to grow not only in the United States but also all over the world, both practitioners and researchers have paid attention to marketing strategies that can make a convention successful. The development of the convention market has been remarkable since exclusive convention and exhibition properties (e.g., convention centers) have been built since World War II (Fenich, 2008). According to the 2011 Meeting Market Report, the meeting and convention segment is one of the fastest growing sectors in the hospitality and tourism, and estimates that the US meeting market segments, which include all the major types of meeting - corporate, convention, and association - in terms of sponsoring organization, spent more than US $260 billion in 2009. This number was the biggest dollar amount since the report has tracked the convention industry in 1974 (Meetings and Conventions, 2004).

The 2011 Economic Significance Study, reported by the Convention Industry Council (CIC), presented the findings of the economic impact of the meetings, incentive travel, conventions, and exhibitions (MICE) industry in the United States (Convention Industry Council, 2011). In the report, the meetings industry is the 10th largest contributor to the gross

domestic product (GDP), creating over $106 billion in total direct effects in 2009. The spending made the multiplier effect on other industries in the local community which hosted events, supporting 1.65 million full-time equivalent (FTE) jobs in the United States in conjunction with the direct tax impact of $25.60 billion (Convention Industry Council, 2011).

Destination Marketing Organization's Role in Convention Market

Convention and visitors bureaus (CVBs), a type of destination marketing organization (DMO), have the responsibility to develop an image of their destinations for attracting meetings and visitors. In general, CVBs are private and not-for-profit organizations that attempt to contribute to the economic vitality of their cities by soliciting meetings, conventions, trade shows, and any type of gathering to the area. Because the CVB is a community's single most pivotal marketing organization, the bureau positions the destination towards various targeted markets in the meetings and conventions industry (Gartrell, 1988). Therefore, the goal of a CVB is to promote a city as an attractive tourism destination through a variety of activities using diverse marketing communication tools such as television commercials, print materials, and websites.

Since CVBs have the mission of promoting their destinations, a CVB's marketing objective is to create new sources of revenue for the communities through any possible tourism marketing activities (Gartrell, 1998). In fact, a successful CVB does not receive direct financial benefits for itself because most CVBs have not- for-profit status and are supported by transient room taxes, private membership dues, government budget allocations, grants, revenues from

advertising programs, or a combination of all these revenue sources (Fenich, 2008). Therefore, if a CVB successfully performs its job, businesses in the area will derive the financial benefits from increased business and revenues with the multiplier effect. Even if the CVB's marketing efforts may not bring direct positive effects on economy in their community, the efforts contribute to building up a favorable perception of the destination. Furthermore, a favorable destination perception may be more appropriate goals for the CVB concerning the decision making process for site selection in meeting and convention market. Moreover, a favorable perception of a destination will help CVBs assess success through measuring of convention destination competitiveness (Lee, Choi, & Breiter, 2010). The success may mean increased visitations, bigger spending from the conventioneers, and any financial benefit that makes the destination economically strong.

Moreover, while CVBs are not-for-profit organizations in nature, they provide many services that generate revenue to their operations such as registration management, housing management, site visits, and temporary workers procurement (Adrienne Six, an association meeting planner, November 2010, personal communication). Specifically, they provide not only information of third party registration and/or housing bureaus but may also assist meeting planners directly by handling the registration and housing for the event. Most of the CVBs have their own department for these services, site visits which can be classified into two following categories: FAM tour and site inspection (Fenich, 2008). The CVBs arrange a variety of travels for meeting planners so that they may check the critical elements to plan their event, attend the competition events to benchmark, confirm the condition of facility written in contract. CVBs

also help meeting planners recruit and train temporary employees who are hired during the event period. For example, Orlando Orange County CVB has full-time coordinators who manage the temporary labor forces and they supervise over 300 staff members who are often referred to as the "Green Jackets" because the temporary staffs usually wear green jackets while working in the registration booths (Carolyn Martin, a destination service manager in Visit Orlando, September 2010, personal communication). In this study, DMO was used consistently except for this section instead of CVB because DMO is broader term than CVB.

While meeting planners are usually not the final decision makers when it comes to which destination will be selected to host meetings and conventions (Fenich, 2001), meeting planners believe that they have more influence on destination selection than others in the organization (Breiter, 2006). Consequently, meeting planners are a core target group for destination marketing and DMOs should build long-term relationships with the planners to give them favorable perceptions, which lead the planners to come to their destinations.

Role of Meeting Planner in Convention Market

Breiter (2006) mentioned the meeting planner's role to generate the image of a destination based on their experiences and that they use word of mouth to their colleagues. She indicated that destinations fall back on planners to help build their brand image and awareness because demand for events would be likely to be boosted if a city turns out to be a successful destination for hosting events. As a result, DMOs (i.e. CVBs) are concerned with how meeting

and convention planners think about not only their cities but also the services that the DMO presents because service can be a critical measurement of the destination's image.

Furthermore, importance of good word of mouth (WOM) among meeting planners has been increasing. According to Fenich (2008), the meeting planners share the information of the events that they planned and managed in the form of the post-event report (PER) and they review other planners' PERs in the network database, which is called MINT provided by Destination Management Association International (DMAI). Aside from the written resources, the verbal communication between the meeting planners may have more influence on their decision because meeting planners also think highly of their colleagues' opinion and recommendation based on experience of actual events (Pike, 2004). There are many networking opportunities, which not only include their association meetings and conferences but also cyber communication via social media (e.g., twitter, Facebook, flickers, LinkedIn, and various online communities) for the meeting planners who want to seek information for event planning. They share the information on vendors, service providers, quality restaurants, and service quality of the convention centers, hotels, and even DMOs (Alinda Ramos, a tradeshow manager & meeting planner, November 2010, personal communication).

Moreover, although the board of directors in corporate meetings and the site selection committee in association meetings make a final decision on the destination and venue for their events (Fenich, 2008), meeting planners have a critical role in selecting a destination since the planners can exclude the destination in the list of candidates when the final decision makers request it (Carolyn Martin, September 2010, personal communication). In general, meeting planners may

have an exclusive right to choose service providers for their events. They can select the DMO's

services aforementioned if they are satisfied with the services while they may use other service

providers (e.g. registration or housing companies) when they need better quality of services.

Consequently, DMOs have attempted to build the relationship with meeting planners not only to

create the reputation in the market but also to get operating revenue from providing their various

services.

Importance of Relationship Marketing

Relationship Marketing (RM) has been an important issue for both academics and

practitioners since 1980s (Berry, 1983; Crosby, Evans, & Cowles, 1990; Day, 1994; Grönroos,

1990; Gummesson, 1994; Morgan & Hunt, 1994; Payne, 1995; Webster, 1992). Since McCarthy

(1960) introduced the marketing mix, the 4 Ps of marketing (price, product, place and promotion)

have been regarded as the main focus of marketing strategies. Marketing strategies have evolved

to reflect the changes in customer's needs and wants. Therefore, the strategic focus of marketing

has shifted from a transaction-based activity to a relationship building activity (Grönroos, 1994).

The purpose of relationship marketing is to create long lasting relationships with

customers, offer a better customer experience and generate greater customer satisfaction to build

long-term relationships (Kotler, Bowen, & Makens, 2003). If an organization creates a mutually

beneficial relationship with customers, this is one of the best ways to achieve a competitive

advantage over other organizations (Gummesson, 1994). This relationship produces customer

loyalty (Mattilla, 2006) in view of the fact that the customer recognizes that the company appreciates the customer's commitment to the firm (Doney & Cannon, 1997). Relationship marketing, introduced by Berry (1983), focuses on the long-term approach to a marketing strategy contrary to the traditional view of transaction marketing. He defined the new concept as follows: "attracting, maintaining, and – in multi service organizations – enhancing customer relationships. Servicing and selling existing customers is viewed to be just as important to long-term marketing success as acquiring new customers" (as cited in Berry, 1995, p.236).

According to Grönroos (1990), the business world takes hold of the importance of marketing strategies based on a long-term relationship, as competition is getting fierce and product differentiation cannot be obtained easily. Moreover, corporations understand that the price of obtaining new customers is higher than that of keeping existing ones as Bauer, Grether, and Leach (2002) argued that acquiring a new customer costs five times more than keeping an existing client.

The focal point of relationship marketing strategies is to develop and maintain enduring, long-term consumer relationships (Gummesson, 1994). Consequently, relationship marketing can be also defined as a "process designed to grasp features of customers and apply those features to marketing activities" (Ahn, Kim, & Han, 2003, p. 324) and can be regarded as marketing itself in contemporary marketing trend (Lu, 2006). Furthermore, in terms of the business-to-business (B2B) service business, strong relationships with clients are especially critical. According to Friman, Garling, Millet, Mattesson, and Johnson (2002), B2B partners

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tend to maintain their partnership continuously to avoid considerable relationship termination costs.

However, the question about the issue is how long-term committed relationships with clients can be maintained (Wong, Chan, Leung, & Pae, 2008) in the context of a highly competitive meeting and convention industry. Moreover, favorable perception (e.g., good reputation) built by positive word of mouth (WOM) is one of the most important criteria when meeting planners consider a destination for their event (Gartner & Hunt, 1987). Therefore, DMOs which have responsibility to promote their destinations are eager to build relationships with meeting planners (Deslandes, 2003).

Problem Statement

In recent hospitality and tourism literature, researchers have introduced concepts and models regarding relationship marketing - relationship quality, relational exchange, etc. (Breiter & Bowen, 1999; Jang, Hu, & Bai, 2005; Jones & Brewer, 2001; Lee & Hiemstra, 2001; Naipaul, Wang & Okumus, 2009). While most of these studies have focused on how the hotel industry can improve their relationship with guests and/or stakeholders effectively and efficiently so that they respond to escalating market competition, there has been an emerging trend to emphasize the significance of relationship marketing in the meeting and convention industry (also known as Meetings, Incentives, Conventions, and Exhibitions [MICE] industry). In the MICE industry, site selection not only means the selection of a venue or facility but also that of a destination.

Therefore, destination marketing organizations (DMOs) strive to be top of mind in the key decision makers (e.g., meeting planners) during the site selection process (Pike, 2004).

It has also been discussed that creating a long-term relationship is a basic step in enhancing revenue (Vesanen & Raulas, 2006). Accordingly, understanding the driving forces of successful relationship marketing is of fundamental importance to improve the competitiveness of the destinations. For example, Visit Orlando (formerly Orlando Orange County CVB: OOCCVB) has been providing a variety of relationship marketing programs with their clients in the name of 'Client Advisory Board' since the 1990s (Tammi Runzler, Senior Vice President in Visit Orlando, April 2010, personal communication). The program may be regarded as an elaborate type of familiarization (FAM) trip for meeting planners and trade show managers to update the information that planners have about the destination and provide various opportunities for the CVB personnel to interact with planners and show managers in order to listen to their opinions. The Client Advisory Board can be a relevant communication tool that helps to build continuing relationship between Visit Orlando and their clients.

This supports Atkinson's (2004) assertion that the direct interaction between CVBs and meeting planners emphasizes the importance of hotel-CVB relationship because hotel may ask the CVB to spread word of mouth and provide up-to-date information to the meeting planners. While CVBs do not participate in the process of negotiation and contracting, they gather all the relevant members in the community and provide meeting planners with 'one-stop shopping' opportunity in that the planners can scrutinize all possible options without making efforts to collect suitable information like contacts and prices (Pike, 2004). Therefore, the closer

relationship the planner has, the better services may be provided by the CVB. For example, the services can be quicker updates about the community members like renovation of a hotel, new construction of exhibit space, or change in pricing strategy for convention groups of a restaurant (Tammi Runzler, April 2010, personal communication).

Gap in Previous Research

Previous studies have been conducted regarding various relationships in destination marketing as follows:

i) DMO- hotel relationship (also known as collaborative marketing among members/ stakeholders in a destination [Atkinson, 2004; Naipaul et al, 2009; Ovechka, 1993; Sheehan, Ritchie, & Hudson, 2007; Wang, 2007]), which explains cooperation partnership and the benefits that hotel managers can get from the harmonious rapport with the local CVB;

ii) Hotel-meeting planner relationship (Buchanan, 2008; Jones & Brewer, 2001), which explains the importance of meeting planner as a direct contractual partner and how to deal with the long-term relationship for continuing business;

iii) DMO- visitor relationship (Cai, Wu, & Bai, 2004), which explains how CVBs can build loyalty with leisure travelers by creating favorable destination image.

However, the DMO- meeting planner relationship has not been investigated thoroughly. Most studies have focused on the direct contractual relationship between DMO and hotels as its members or meeting planners and hotels. It might be because DMOs are not-for-profit organizations and never involve in contractual negotiations (Fenich, 2008). However, DMOs occasionally provide actual services such as housing, registration, and temporary worker procurement (Carolyn Martin, September 2010, personal communication). Breiter (2006) also emphasized association planners' perceptions of how well customer relationship management (CRM) practices are performed by CVBs in North America. Although her study provided the list of variables to measure the extent to which CVBs practice CRM, the nature of the study was exploratory, and thus further research is warranted to understand relationship marketing effort by the DMO. Therefore, there is a significance of this study that focuses on relationship marketing between the DMO and meeting planners. In other words, this study attempted to investigate whether the DMO-planner relationship has an impact on meeting planners' behavioral intention regarding the business on the destination.

Research Objective

The objective of this study is to develop a relationship marketing (RM) model that includes the antecedents, the mediators, and the consequence.

This study proposes three determining factors (customer orientation, familiarity, and reputation) as antecedents of the RM mediating constructs such as satisfaction, trust, and

commitment proposed by previous studies (Garbarino & Johnson, 1999; Morgan & Hunt, 1994). The DMO representative's customer orientation was regarded as a personal factor to describe the representatives' characteristics while meeting planner's familiarity with the DMO and the DMO's reputation were considered non-personal factors, which are related to the planners' perception of the relationship with the DMO. In this study, the major antecedents of relationship marketing constructs stated in the existing literature were categorized into these three constructs. For example, shared values, communication, and opportunistic behaviors (Morgan & Hunt, 1994) can be deemed as personality traits or attitude of sales person, and thus customer orientation of sales employees (COSE) can cover the concepts (Kim, 2009). As opposed to COSE, customer's familiarity with a selling organization was denominated as customer's history, which is divided into 'number of past encounters with the organization' and 'quality of past service performance' (Hess, Ganesan & Klein, 2003), or previous visit experience (Opperman, 1996) while reputation of a selling organization was discussed under the name of 'corporate reputation' (Gotsi & Wilson, 2001) and 'reputation for fairness' (Ganesan, 1994). In the Morgan and Hunt model, other antecedents such as relationship termination cost and relationship benefits can be associated with the familiarity because it can be the sunk cost for relationship and/or foundation of benefits from the relationship (Gefen, 2000). The various antecedents suggested by previous studies were reconfigured to the three antecedents and they looked mutually exclusive and collectively exhaustive.

Consequently, investigating the relationships between the antecedents and the mediators (i.e. satisfaction, trust, and commitment) is one of the contributions of this study whereas this study aims to validate the impact of the mediators on behavioral intention.

Research Questions

Building on the aforementioned research gap, a set of research questions and related objectives is brought up to address an ultimate question: how relationship marketing by DMOs works for creating and maintaining favorable perceptions by meeting and convention planners. Specifically, the following research questions were addressed in this study:

1) Are there positive relationships between RM antecedents and the RM mediating constructs in the meeting and convention industry?

2) Are there positive relationships between/among the RM mediators in the industry?

3) Are the perceived RM mediators helpful to create meeting planners' favorable behavioral intentions?

Significance of the Study

Based on the research scheme along with the problem statement, research objective, and research questions, this study has important meanings in terms of contribution on both academia and industry. First, the study provides a comprehensive relationship marketing model that

includes a new set of antecedents that lead to the relationship mediators (i.e. satisfaction, trust, and commitment). The antecedents were selected from a thorough review of literature and considered mutually exclusive and collectively exhaustive. Like the previous studies such as Morgan and Hunt (1994) and Gabarino and Johnson (1999), this study can be the pavement that future studies take the next step to build a more rigorous model. Secondly, this study may give a meaningful insight to industry professionals such as meeting planners. As core customers to DMOs, they may play a critical role in perception of DMOs as well as the destinations. With the result of the study, they may recognize whether their perception of a DMO was appropriate and the relationship with the DMO really affects their future intention. Thirdly, DMO may use the result of the study to develop a proper relationship marketing strategy as a competitive advantage with the increasing competition among DMOs. Moreover, this study may provide the accountability for the use of public funds to the DMOs as not-for-profit organizations (Fenich, 2008).

Definition of Terms

The following terms are defined as they are used in this research project. Definitions of terms are mainly from related literature. When the proper definition was not found, the Accepted Practices Exchange (APEX) initiated by the Convention Industry Council (http://www.conventionindustry.org/glossary) is used.

- **Destination**: A city, area or country which can be marketed to groups or individuals as a place to visit or hold an event (Convention Industry Council, 2010).

- **Convention and Visitors Bureau (CVB) or Destination Marketing Organization (DMO):** A city, state, or regional not-for-profit organization whose purpose is the marketing of the destination to different target markets (i.e. leisure travel, conventions, business travelers) to attract visitors to the area and assist in developing the local economy (Gartell, 1988). Or DMO is any organization, at any level, which is responsible for the marketing of an identifiable destination. This therefore excludes separate government departments that are responsible for planning and policy (Pike, 2004)

- **Convention Destination**: a destination which has a strong marketing focus on attracting meetings and conventions along with the infrastructure (the researcher's own definition).

- **Destination Marketing:** The promotion of a destination and its services to attract potential visitors to the area. This is the main function and responsibility of a destination marketing organization such as a CVB (Buhalis, 2000).

- **Relationship Marketing:** The process of identifying and establishing, maintaining, enhancing, and when necessary terminating relationship with customers to meet the objectives of all parties involved, with the objective of creating mutually beneficial relationships and longer lasting relationship with customers (Berry, 1995; Grönroos, 1990; Kotler et al., 2003).

- **Relationship Quality:** The customer's perception that is achieved through the salesperson's ability to reduce perceived uncertainty, and it can be regarded high quality

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when the customer is able to rely on the salesperson's integrity and has confidence in the salesperson's future performance because the level of past performance has been consistently satisfactory (Crosby et al. 1990).

- **<u>DMO's Services:</u>** While DMOs offer various general services such as providing information and acting as a liaison between the planner and the community, they also provide specific services as follows: helping to secure meeting facilities, speakers, and transportation, providing housing, registration, site inspections and FAM tours, helping in securing auxiliary services such as production companies, catering, security, and so on (Fenich, 2008).

- **<u>Meeting Planner:</u>** Person whose job it is to oversee and arrange every aspect of an event. Person can be an employee of or hired ad hoc by companies, associations and other organizations to plan, organize, implement, and control meetings, conventions, and other events (Convention Industry Council, 2010)

CHAPTER TWO: LITERATURE REVIEW

<u>Introduction</u>

This chapter provided the theoretical foundations to create a relationship marketing (RM) model that could be applied to meeting and convention industry. The literature review started with the destination marketing models that measured the effectiveness of the marketing such as perceived destination image. However, the models didn't consider well the importance of convention market in the destination marketing. Since DMO (especially CVB in the United States) is a pivotal organization on the marketing and meeting planners are key clients for DMOs, relationship marketing with the planners should be considered core competence and competitive advantage considering fierce competitive market (Comas & Moscardo, 2005). Therefore, relationship marketing as a generic marketing strategy was looked into and the RM models proposed by previous studies were discussed. Based on the theoretical foundations, this study proposed a new model to empirically test the hypothesized relationships between the constructs.

Review of the Theoretical Background

Destination Marketing and its Models

One of the major goals in marketing is increasing brand loyalty and it results in consumer-based brand equity. Because retaining existing customers by encouraging relationships with them will be more lucrative than reaching and obtaining new customers, relationship marketing have become an important area in destination marketing considering the DMO's role and the nature of tourism industry per se (Pike, 2004).

As one of destination marketing strategies, relationship marketing (RM) is the collection of attempt to create a long-term attachment with the customer and it may be challenges for DMOs in a fierce competitive environment (Pike, 2004). However, RM can be a strong competitive edge over other competing DMOs that provide similar product (i.e., destination) and services ironically. Some RM researchers (e.g., Anton & Petouhoff, 2001; Egan, 2001; Gronroos, 1994) suggested several factors that DMOs should consider if they look for employing relationship marketing. The factors are 1) the choice of customers who produce maximum yield, 2) ensuring high quality service encounters, 3) providing added value to selected customers, and 4) developing a philosophy of fostering long-term beneficial relationships (as cited in Pike, 2004, pp.128-129).

While a number of models have been reported such as Market Potential Index developed by the United States Travel Service, Western Austrailia's Market Potential Assessment Formula,

and the Country Potential Generation Index (CPGI) to measure the effectiveness of destination marketing, the models are criticized because they utilize simplistic terms and fail to consider other significant issues like accessibility and per capita wealth (Mazanec, 1995). Consequently, more comprehensive methods have been developed to help DMO's decisions related to their marketing budget allocation, which are called market portfolio modeling approaches (Pike, 2004).

One of the popularly used approaches is multifactor portfolio modeling, which has been based on a two dimensional matrix combining measures of market attractiveness and competitive position (McClennan, 1998). In terms of destination marketing, market attractiveness variables consist of market size, growth rate, seasonality effects and price levels, while competitive position include variables such as market share, image, and advertising budgets (Mazanec, p. 288). Another portfolio modeling technique is the Destination-Market Matrix (DMM), which presents more sense of balance between qualitative and quantitative analysis (McKercher, 1995). The DMM has the destination life-cycle as a feature and demonstrates six relationships between the destination and its markets as follows: 1) the relative importance of each market, 2) each market's life cycle stage, 3) the age of each market in each life cycle stage, which forms the basis of the horizontal axis, 4) a prediction of future performance, which forms the basis of the vertical axis, 5) the total number of markets attracted to the destination, and 6) the interrelationship existing among all these markets (p.27). McKercher stated that the benefits of the DMM were the ability to segment markets and to track the performance over time in three Australian case studies. DMOs can also use these portfolio approaches to design current and future

attractiveness of the destination's individual products so that destinations with various products may have differing levels of appeal for diverse markets (Pike, 2004).

Govers, Go and Kumar (2007) attempted to build up a conceptual model which forms a destination image connected with identity of the destination. They provided the destination image formation model by using qualitative data obtained from the online survey to e-newsletter users. The model described the destination image formation and "subsequently identifies those components that have a dynamic influence on how the perceived destination image is formulated in the mind of the consumer" (p.16). This model presents the foundation for the detailed decomposition of the destination image paradigm. Any destination image projected by the local community ought to be "anchored to some extent on a true destination identity" (p.16).

The tourism development strategy creates a tourism "product," using this identity and the authenticity of the destination and it results in a projected tourism destination image through the use of planned marketing and communication (Pike, 2004). However, if the tourism product and the communication process are not corresponding to the destination's identity, it can produce a tourism development strategy gap. Furthermore, projected images and vicarious place experiences shape a perceived destination image in consumer's mind before the visit. This is mediated by tourist identity, potential temporal environmental or situational influences (Gartner & Hunt, 1987), and the interaction with other consumers (word of mouth / mouse). Such interactions lead to knowledge about a specific destination and set the tourist's quality expectations. The expectation level, which can be met or exceeded during the actual tourism experience, is regarded as tourist satisfaction (Go & Govers, 1999).

An indirect 'tourist demands specifications gap' occurs when expectations are not met due to specified, but idealistic tourist demands that are based on an unrealistic perceived destination image. In this case, the actual tourism experience typically affects the perceived destination image to re-align with the perceived reality. Some decision makers in tourism industry are lacking in understanding of the experiential nature of tourism and it may result in a mismatch in delivery of tourism product, which is often not a true reflection of a destination's identity (Gretzel, Yuan, & Fesenmaier, 2000). In this complicated model, Govers, et al. (2007) attempted to show the interrelationship between destination image and destination identity.

Deslandes (2003) proposed the model of consumer perception of destinations. The model examined the influence of marketing elements (e.g., price) in terms of destination on behavioral intentions. The assumption of the model is that consumers' perceptions have an impact on the evaluation of a destination, and DMOs and their marketers may be able to affect the prospective tourists by the use of marketing communication tools (e.g., advertising) although they cannot change anything like the actual location of a destination, its environmental factors, or activities. He mentioned that DMOs and their brand managers could measure the total effect of marketing variables to build up destination brands with a proper understanding of "how and which variables directly and indirectly influence destination preferences" (p.29).

In his model, he used the six independent variables such as "perceived level of experience with the destination, perceived level of familiarity, perceived quality offered by the destination, perceived price of the destination, and perceived image of the country within which the destination is located. As dependent variables, the following four were tested in the

destination perception model: perceived knowledge of the destination, perceived value of the destination, perceived image of the destination, and behavioral intentions towards the destination. Some of those variables are considered the resources of the constructs in this study.

However, these models have been mainly focused on leisure, individual travellers' perception of destination and thus scarcely explain the mindset of major customers in meeting and convention market, who have great influence on destination selection (i.e., meeting and convention planners). Furthermore, DMOs are the most critical players to market the destination to meeting planners and the relationship between them may be a sustainable advantage to attract the business. Nevertheless, the aforementioned models have limitation to describe the DMO-planner relationship. For that reason, DMO's role to accomplish the successful destination marketing and the contribution of the role to building relationships with meeting planners are going to be discussed in the next section.

DMO's Role in Destination Marketing

A convention and visitors bureau (CVB) is a type of DMO and there are many different types or names of DMOs in the world (Pike, 2004). However, this study regards CVB as a representative of DMO because both CVB and DMO can be used synonymously and interchangeably in North America, or in the United States. Since the first CVB was established in Detroit in 1896, a large number of CVBs have emerged in the 1970s and 1980s (Gartell, 1988).

While the role of CVBs has challenged by many issues stemmed from their organizational structure and governance mechanism, CVBs are taking the responsibility for positioning their destinations by developing a favorable image to attract meetings and visitors (Wang, 2008).

Gartell (1998) suggested that convention sales and related services (including smaller meetings and/or bigger citywide trade shows) have been the groundwork of convention bureaus operations since the bureaus had been established. He emphasized the importance of convention sales departments and their responsibilities. Their marketing efforts concentrate on the building a rapport between the bureau's sales representative and the meeting planners to develop trust and confidence. For establishing goals of their marketing, most convention and visitor bureaus (CVBs) implement the following marketing promotion tools for convention sales:

1) Direct sales (including database marketing), 2) Bid presentations, 3) Sales blitzes, 4) Use of local organizations and contacts (e.g., local hero program, inventorying local membership, breakfast meetings, etc.), 5) Trade show marketing, 6) Advertising (print media and/or non-print media), 7) Familiarization tours / Site inspections, 8) Destination publications (destination planning manuals, visitor guides, maps, etc.) and brochures, 9) Direct mail, 10) Telemarketing, and 11) Cooperative programs - within the community with key trade organizations (pp. 179-210).

With these various marketing promotion tools, CVBs take on the role to "influence meeting planners, associations and corporate executives and exhibition managers" (Gartell, 1988, p.216). The focus of any effort should be on the establishment of rapport and a relationship with

planners considering the nature of business (i.e. a people-oriented business) as Pike (2004) mentioned. Aside from the fact that these marketing promotion tools have aimed to position a destination in the mind of clients, the above-mentioned activities can be also regarded as relationship marketing tools for the favorable perception of the convention destination. That is, the activities may be considered investment of both people and resource for the long-term goal because CVB is a not-for-profit organization and its goal is not manly focused on the actual transaction but on the relationship building with meeting planners (Fenich, 2008).

For example, Visit Orlando (formerly Orlando Orange County CVB: OOCCVB) put into practice various marketing programs to build long-term relationships with their clients. Apart from the aforementioned Client Advisory Board (see page 9), they initiated a relationship building program, so-called 'C-Suite Program' which builds rapport with about 2,000 CEOs, COOs, and CFOs, etc. (i.e. C-level executives) who are influencers and final decision makers for the destination selection of association or corporation meetings (Tammi Runzler, April 2010, personal communication).

The CVB also has utilized new generation media – also known as social media- on their website such as twitter, face book, flickr, Youtube, and tripadvisor, etc. They are not only an information source which individual users – usually leisure tourists- can access easily to the website for the travel to Orlando but also an effective communication tool for convention attendees to find tips for special offers during their stay in Orlando. These types of new media also are used for a constant communication tool to interact with meeting planners.

The marketing activities collectively constitute a relationship marketing mix for a CVB and it lead to forming the relationship between the CVB and the planners, which builds the planners' favorable behavioral intentions to work with the CVB in the convention destination. Therefore, this study investigated what antecedents determine the effects of the relationship and what can be the consequence of the relationship as well as the relationships among the mediating constructs between antecedents and consequence. For this purpose, it is necessary to look into the issues of relationship marketing and the RM model development in the following sections.

Relationship Marketing

Relationship marketing (RM) is a strategic approach that considers customer relationship a priceless asset of business for an organization. This approach has received popularity in practice of many for-profit and not-for profit organizations. The trend of RM has been focused increasingly on customer satisfaction and customer relationships (Lu, 2006).

Some researchers argued that the four Ps (product, place, price and promotion) of the marketing mix emerged as a universal marketing model during the 1960s (Dwyer, Schurr, & Oh, 1987: Grönroos, 1994; Kim, Suh & Hwang, 2003). This, so-called, transaction marketing is focused on selling products or services with minimal or no customer contact (Payne, 1995). Organizations put into practice mass marketing efforts to obtain the highest number of new customers, finish transactions without focusing on relationship building or customer retention, and treat all customers the same (Berry, 1995; Grönroos, 1990; Stone, Woodcock, & Wilson,

1996). These traditional theories have had a considerable impact on the marketing practice.

However, this approach to marketing is mainly focused on the marketing of products (Payne, 1995; Zineldin, 2000). While the marketing mix and the four Ps had been the prevailing theory on marketing for decades, there was a paradigm shift from product-oriented marketing to relationship marketing decades ago (Grönroos, 1994).

For many years, relationship building for customer retention was not emphasized in marketing realm, which had focused on obtaining new customers to complete transactions, because mass production and seller's (or manufacturer's) market prevailed (Lu, 2006). To increase revenue and profits margins, however, most strategists in today's business world are struggling to make their organizations customer-focused (Kim, Suh & Hwang, 2003). Most marketing professionals employ relationship marketing as a way to attain customization and personalization (Vesanen & Raulas, 2006).

The concept of relationship marketing was not on the mass marketing radar until the 1990s when organizations started to realize the importance of customer retention (O'Malley & Mitussis, 2002). The deregulation experienced in many industries in the late 1970s and early 1980s helped develop marketing for the services arena (Berry & Parasuraman, 1993). However, the importance of the customer was highlighted in the mid-1990s when marketing to protect the customer base became a vital strategy for survival (Berry, 1995). Moreover, the globalization of the business world and the increasing recognition of the importance of customer retention and customer relationships reinforced the trend in the change in marketing strategies (Grönroos, 1994; Payne, 1995). The importance of relationship marketing has been highlighted by the nature of

the service industry in which services are provided on a constant basis and relationship development between service provider and customer promotes and facilitates relationship marketing (Berry, 1995).

According to O'Malley and Mitussis (2002), the idea of relationship marketing developed from a study of high-contact services markets. Because the service market is highly dependent on the interactions that occur between individuals and the company, this frequent interaction promotes the creation of relationships between the parties involved. As mentioned earlier, the shift from transaction to relationship marketing (Dwyer et al, 1987) in consumer markets was driven by changes in the business environment and was facilitated by technology (Sisoda & Wolfe, 2000).

In general, relationship marketing focuses on interactive marketing as the dominant part of the marketing function (Grönroos, 1994; Zineldin, 2000). Improved marketing efforts translate to gained benefits in improved marketing and customer retention (Vesanen & Raulas, 2006). A firm pursuing a relationship marketing strategy creates value for its customer through the customer interactions more than through the core product or service (Payne, 1995). Moreover, customer interactions provide the opportunity for the organization to create strong rapport with the customer which provides added value to the customer (Grönroos, 1994; Zineldin, 2000). See Table 1 for comparison between transaction and relationship marketing.

Table 1
Comparing Transaction-based and Relationship Marketing Strategies

Characteristic	Transaction marketing	Relationship marketing
Time orientation	Short-term	Long-term
Organizational goal	Make the sale	Emphasis on retaining customer
Customer service priority	Relatively low	Key component
Customer contact	Low to moderate	Frequent
Degree of customer commitment	Low	High
Basis for seller-customer interactions	Conflict manipulation	Co-operation: trust
Source of quality	Primarily from production	Company-wide commitment

(Source: Boone & Kurtz, 1999, p.335)

Major Theories and Models of Relationship Marketing (RM)

Relationship marketing (RM) has become an effective strategy for managing distribution channels for product and services (Thorelli, 1986). It is characterized by activities directed toward creating, developing, and maintaining successful relational exchanges (Morgan & Hunt, 1994). Research on RM has been conducted in mainly European and the North American countries (Lu, 2006). Marketers and researchers have endeavored to explicate behaviors related to relational exchange among organizations based on three primary theories: commitment-trust theory, power-dependence theory, and transaction-cost theory.

One of the most debated and studied theories in the literature examining relational exchange is the framework for the "Commitment-Trust Theory of Relationship Marketing" proposed by Morgan and Hunt (1994). They suggested that their model explains all inter-firm relational exchanges and proposed a model, which incorporates association among 12 variables. Their contribution to RM theory is to claim two key mediating variables such as 'trust' and 'relationship commitment' while they posited 'relationship termination costs', 'relationship benefits', 'shared values', 'communication, 'opportunistic behavior' as five precursors of the key mediating variables as well as five outcomes of the key mediating variables as follows: 'acquiescence', 'propensity to leave', 'cooperation', 'functional conflict', and 'uncertainty' (p.24). Based on these posted variables, they tested 13 hypotheses in comparison with a non-parsimonious rival model that did not allow any mediating effects of trust and relationship commitment. They argued that the precursors, via trust, indirectly influence relationship commitment while (1) relationship termination costs and relationship benefits directly influence to relationship commitment, (2) communication and opportunistic behavior directly influence trust, and (3) shared value directly influence both trust and commitment. These two key constructs (trust and relationship commitment) by their definition include the structure of the mutual relationship. The findings of Morgan and Hunt provide a framework as a fundamental basis for understanding the anatomy of reciprocal relationships despite opposing views and criticisms (Lu, 2006; Morris & Carter, 2005).

The next popularly discussed theory is power-dependence theory that emphasizes power and its impact on the relationships between organizations (Hermans, 2003). While the research

examining power began in the 1960s such as Emerson's study (1962, as cited in Hermans), researchers in recent times have been interested in the influence of power on the key mediating social variables (e.g., trust, commitment, and cooperation) in the relationship marketing framework (Simpson & Mayo, 1997). However, adopting the use of power as a defining variable is still controversial in the relationship marketing framework although the Morgan and Hunt (1994) commitment-trust theory has been harshly criticized for not including power as a defining variable (Frazier, 1999).

Lastly, transaction-cost theory dates back to the 1930s when Coase (1937) suggested that if a certain form of management is regarded as more efficient than another, resulting in reduced costs, a relationship will appear (as cited in Hermans, 2003). The transaction-cost theory usually accepts constructs such as termination (or switching) costs, idiosyncratic investments, sales volume, channel volume, and so on (Joshi & Rodney, 1999; Kline, Frazier, & Roth, 1990). Kline et al (1990) claimed that transaction cost analysis presupposes that entities involved in the relationship be subject to 'bounded rationality' while some entities in the relationship are anticipated to engage in opportunistic behavior. According to Williamson (1975), the transaction-cost theory has a premise that the relationships between organizations are rooted in distrust and thus costs are the critical element of relationships (as cited in Hermans, 2003).

These theories are not necessarily mutually exclusive but there are not many models, which try to integrate them. An integrated view of the relational exchange may be required to present a better understanding of the driving factors that lead to relationship behavior. A great deal of effort remains to link the theoretical domains of these theories (Hermans, 2003).

While there are various constructs and variables in relationship marketing, this study focused on the quality of the DMO-meeting planner relationship as perceived by the meeting planner. Therefore, this study proposes a model that describes some of the key antecedents, mediators, and the consequence of the relationship in the specific industry setting – meeting and convention industry. Furthermore, because favorable behavioral intention is also the main interest of the relationship, the model is tested in the context of the DMO-planner relationship involved in obtaining a good word of mouth about a convention destination as planners' behavioral intention. Therefore, previous RM models were discussed so that the research model may consult them on developing constructs and relationships in the model of this study.

Since RM was introduced by Berry (1983), there has been much debate on the issue of the RM framework and an evolutionary trend has resulted in a more comprehensive framework. The new point of view can be called total relationship marketing, which was defined as marketing established in the networking management among the firms, the market, and society, by Gummesson (1994) who represents the Nordic School, one of the major academic streams in RM research (Lu, 2006).

According to Gummesson (1997), sales organizations think that RM is important but are lacking in understanding how to execute an effective long-term relationship strategy. In other words, the firms understand that it is less costly to maintain an existing customer than obtain a new customer, and better relationships generate better communication and coordination that lead to less rework and expenses to serve customers. Gummesson also argued that a RM model has core variables such as relationships, networks, and interactions among customers, their suppliers,

and the suppliers' contractors. Therefore, all members in the firm are involved in marketing.

Due to the intrinsic complicated systems, traditional marketing models have no room to sustain

in the current marketing paradigm. Consequently, effective implementation of RM needs a

cross-disciplinary approach in the principles of project management that business goals are

achieved with the integration of various units in the firm.

In Gummesson (1997), non-marketing staff are regarded as part-time marketers who

conduct business in the network among customers, and the organization, its suppliers. In the

network, he suggested thirty relationships (30 Rs) as marketing (classic and special) and non-

marketing relationships (nano and mega). This RM model was supported by other researchers

(Grönroos, 1996; Anderson, 2001). They paid attention to the importance of internal marketing.

That is, successful RM requires thorough and continuing internal marketing. Without effective

internal marketing, external marketing may result in failure (Lu, 2006).

While Gummesson in Nordic School emphasized the importance of collaboration,

researchers in North America have focused on buyer-seller relationship where trust and

commitment remained as key mediating variables (Doney & Cannon, 1997; Dwyer et al, 1987;

Friman et al, 2002; Ganesan, 1994; Garbarino & Johnson, 1999; Morgan & Hunt, 1994).   Dwyer

et al. (1987) devised a five-phase model that described the creation of the relationship. The five

phases in their RM model were 'awareness', 'exploration', 'expansion', 'commitment', and

'dissolution', and these five phases build the core components of the current RM construct such

as trust and commitment (Lu, 2006).

Since Morgan and Hunt (1994) had suggested the commitment-trust theory, many researchers have investigated these variables. Wilson (1995) suggested eleven variables in an integrated model for the buyer-seller relationship as follows: cooperation, mutual goals, interdependence/power imbalance, performance, satisfaction, comparison levels of the alternative, adaptation, nonretrievable investments, shared technology, summative constructs, structural bonds, and social bonds (as cited in Lu, 2006, p.45). While these eleven variables focused on the organizational and social constructs, Bendapudi and Leone (2002) raised another critical element – key contact employee, proposing that the customer's relationship with the employee might be more important that that with the vendor company per se. Doney and Cannon (1997) illustrated two dimensions of trust in a buyer-seller relationship such as the objective 'credibility' of a business partner and 'benevolence' which means the partner's interest in the welfare of the other partner. Accordingly, they argued that trust can be developed on the "formation of a trustor's expectations about the motives and behaviors of a trustee" (Lu, 2006, p. 46).

Garbarino and Johnson (1999) examined the diverse roles of satisfaction, trust, and commitment in RM. They indicated that one of the focal 'high order mental constructs' in marketing literature had been overall customer satisfaction while the changing highlighting to RM expanded the list of factors that predict future intentions to incorporate new constructs such as trust (Moorman, Deshpande, & Zaltman, 1993; Morgan & Hunt, 1994) and commitment (Dwyer, Schurr, & Oh, 1987; Gundlach, Achrol, & Mentzer 1995; Morgan & Hunt, 1994). While they defined overall satisfaction (or cumulative satisfaction) is "an overall evaluation

based on the total purchase and consumption experience with a good or service over time", they differentiated cumulative satisfaction from transaction-specific customer satisfaction, which is an "instant post-purchase evaluative judgment or an affective reaction to the most recent transactional experience with the firm" (Oliver 1993, as cited in Gabarino & Johnson, p.71).

Accordingly, satisfaction should be measured as the customer's general level of satisfaction with a variety of aspects of the firm, which includes all experiences related to the firm. Their definition of trust was provided by the comparison between Moorman et al (1993)'s "willingness to rely on an exchange partner in whom one has confidence", and Morgan and Hunt (1994)'s "confidence in the exchange partner's reliability and integrity" (p.71). The former specified that ability to perform (expertise), reliability, and intentionality lead to the anticipation of trustworthiness while both definitions emphasize the significance of confidence and reliability when conceptualizing trust. Another essential element for long-term relationships, commitment was defined as "an enduring desire to maintain a valued relationship" which has three following components: 1) an instrumental component of certain type of investment, 2) an attitudinal component that may be illustrated as affective commitment or psychological attachment, and 3) long-term or continuance commitment indicating that the relationship exists over time, by adopting the classification of Gundlach, Achrol, and Mentzer (1995).

Friman et al. (2002) suggested the importance of commitment and trust in business-to-business (B2B) setting as this study focus on the DMO-planner relationship in convention industry. Moreover, they found existing variables (e.g., shared values, communication between business partners, and relation terminating costs and benefits) significant in the B2B

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relationships while there was no strong support for the significance of other factors not identified by the theory, such as "fairness, perceived relationship effectiveness or prior beliefs regarding the likelihood that the exchanging partner will reciprocate acts of trust and commitment" (p.408). According to Ganesan (1994), trust and dependence play critical roles in forming the long-term relationship between retail buyers and their vendors.

Based on the discussion in the previous model, this study developed the RM model in the convention industry, and the constructs and their relationships were discussed in the next section.

Developing the Research Framework of the Study

The Proposed Relationship Marketing Model

This study proposed a conceptual model of DMO's relationship marketing (RM) from the meeting planners' perspective. The constructs in the model are drawn from the review of literature and the interviews with professionals of convention business in a top-tier convention destination in the Southeast region of the United States.

This study has three exogenous constructs (i.e., customer orientation, familiarity, and reputation), three mediating endogenous constructs (i.e. satisfaction, trust, and commitment), and an ultimate endogenous construct (i.e., behavioral intention). The exogenous constructs are chosen as the antecedents of the relationship perceived by meeting planners. They can be classified into two categories such as individual factor (i.e. customer orientation), which

describes personal traits of DMO representatives who provide services for the planners, and organizational factors (i.e. familiarity and reputation), which are the issues related to the relationship between the DMO and the meeting planner in that the former can be explained as the planner's perception of direct experience with the DMO and the latter can be expressed as the perception formed when the planner had no direct experience with the specific DMO. The mediating endogenous constructs are the components of relationship (i.e., DMO-planner relationship) suggested by Garbino & Johnson (1999) as focal constructs while many researchers have utilized two of them (satisfaction and trust or trust and commitment) to measure the relationship marketing context (Crosby et al, 1990; Doney & Cannon, 1997; Dwyer et al, 1987; Friman et al, 2002; Ganesan, 1994; Morgan & Hunt, 1994). The ultimate endogenous construct is how the meeting planners will show their behaviors favorably by spreading positive word of mouth and/or consuming various services (e.g., housing management) provided by the DMO. Each construct and hypothesized relationships between the constructs were discussed in the following sections.

<center>Exogenous Constructs</center>

<u>Customer orientation</u>

Customer orientation (CO) is a personality based construct (Kim, 2009). The literature indicates that the foremost endeavor to measure directly customer orientation, the extent to

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which an employee seeks to enhance long-term customer satisfaction, was carried out by Saxe and Weitz (1982). They sought to measure on a long-term based, customer satisfaction using a 24-item scale with two dimensions - customer orientation and selling orientation. Michaels and Day (1985) undertook what can be described as follow-up studies. Hennig-Thurau and Thurau (2003) defined it as ''the behavior of service employees when serving the needs and wishes of existing and prospect customers'' (p.27). In the service industry, service employees are the people to put into practice the firm's marketing efforts finally and the people to directly interact with the customer firstly (Brown, Mowen, Donavan, & Licata, 2002). Namely, service employees materialize the firm's customer orientation at the front line and simultaneously obtain feedback from customers and report it to the management as market intelligence (Daniel & Darby, 1997). Moreover, in service businesses, the service employee and the service are often considered identical from the customer's perspective and the relations with the service employee is the most significant influence on customers' service quality evaluation (Brown & Swartz, 1989) and on overall service satisfaction (Crosby & Stephens, 1987; Hennig-Thurau & Thurau, 2003).

The concept of customer orientation has been defined in diverse ways in the literature (Deshpande, Farley, & Webster, 1993; Narver & Slater, 1990; Webster, 1988) such as Webster who used customer orientation and market orientation interchangeably. Some researches (e.g., Narver & Slater, 1990) suggested customer orientation as one of the components of market orientation while other researchers confused the concept of service orientation and market orientation, sometimes even with customer orientation (Homburg, Hoyer, & Fassnacht, 2002;

Liu & Davies, 1997; Lytle & Timmerman, 2006; Siguaw & Brown, 1994). However, the concept of 'service orientation' is different from 'customer orientation' (Charles & Schwepker, 2003) because service orientation requires sales employees to take the plunge in offering service in sales or non-sales circumstances (Wu, Liang, Tung, & Chang, 2008). Furthermore, market orientation is the more organizationally focused concept which emphasizes the cooperation between the departments in an organization (Narver & Slater, 1990).

Because this study focuses on the meeting planner's perception of the relationship with the DMO, factors related to organizational culture (e.g., training environment) cannot be detected and thus only customer orientation, the meeting planner's perception of the DMO representative's individual attitude regarding the service performance, was regarded as an antecedent that leads to the relationship. The DMO representative's orientation to the customers (i.e. meeting planners) was regarded as the first construct to measure the relationships with the mediating constructs in relationship marketing such as satisfaction and trust because commitment was regarded as the mediator from satisfaction and trust to behavioral intentions suggested by Garbino and Johnson (1999).

These relationships between customer orientation and the two constructs (i.e. satisfaction and trust) have been quite often discussed in the literature. Howe, Hoffman, and Hardigree (1994) mentioned that long-term customer satisfaction is fostered by behaviors of the customer-oriented service providers. Customer-oriented employee behavior leads to long-term satisfaction with highlighting long-term rather than short-term results (Dunlap, Dotson, & Chambers, 1988; Saxe & Weitz, 1982). Han, Kim, and Srivastava (1998) suggested that wholesaler's customer

orientation contribute to building the customer loyalty of retailers, which was turned out

customer retention based on mutual trust while Ganesan (1994) argued that customer's trust and

satisfaction are positively related to the customer's long-term orientation to the relationship with

the vendor. Based on the literature, this study developed hypotheses of the relationships between

customer orientation (CO) and the RM mediating constructs as follows:

H_1: DMO's customer orientation is positively related to meeting planners' satisfaction.

H_2: DMO's customer orientation is positively related to meeting planners' trust.

Familiarity

Familiarity does not mean only the number of visits on the destination but also the quality

of experience which implies the actual and direct experience working with the DMO (exactly

the CVB in this context) as Baloglu and Love (2005) admitted that the lack of familiarity limited

(or distorted) their conclusion. This is a way that people diminish uncertainty in a subjective

manner (Gefen, 2000).

Hess et al (2003) suggested that a customer's history (i.e., the number of past encounters)

with a service provider facilitates to make a decision to continue a relationship. That is, as the

customer feels more familiar with the firm, this customer recognizes less risk at the time of

consuming service and this risk reduction leads the customer's intention to continue the

relationship. In addition to the number of past experience, its quality also affects the desire to

maintain the relationship with the hope of satisfied future performances. Oliver (1980)

suggested that satisfied past experience enhances expectations of future satisfaction, which lead to continuing the relationship.

Nevertheless, Baloglu and Love (2005) insisted that there was no connection between previous experience and image of the destination from their analysis of survey data but this was contrary to the findings of earlier works (Opperman, 1996; Vogt, Roehl, & Fesenmaier, 1994). Therefore, they recommended that a valid conceptualization and measurement of familiarity should be developed because just asking the planners whether they visited or how many time they visited a convention destination may not be sufficient to the nature of the visitation. (e.g., FAM trip/ leisure travel and the actual planning of an event may vary in terms of the familiarity). This familiarity issue is directly related to the concept of relational quality which is the focus of the study (the influence of DMO-planner relationship on behavioral intention to a destination).

According to Luhmann's book, "Trust and Power" (as cited in Gefen, 2000), familiarity was defined as "an understanding, often based on previous interactions, experiences, and learning of what, why, where and when others do what they do" (p.727). Consequently, familiarity can be considered "a precondition for trust" in that familiarity is associated with an understanding of the current actions of other people while trust is related to beliefs about the future actions of other people (Luhmann as cited in Gefen). Luhmann (1988) further explained the complementary relationship between familiarity and trust in his another book (Familiarity, confidence, trust: problems and alternatives) in the framework of "complexity-reduction methods". That is, familiarity reduces complexity by setting up a structure; trust reduces

complexity by making people embrace relatively reliable expectations about other people's favorable future actions.

However, these two constructs are clearly different and not equal in terms of importance although related. Trust, aforementioned, is related to unknown future actions which are more complex and risky. Thus, when the relationship is formed and enhanced, trust should be more important than familiarity (Gefen, 2000). Moreover, familiarity can breed trust because it provides not only an idea for future actions but also makes customers build a framework of the expectation based on previous experiences (Gulati, 1995). As a result of this, Luhmann (1988) suggested that familiarity estimate the extent that prior experience has been understood. Since prior experience is the foundation of trust in many cases, familiarity can build trust, when the experience was favorable, or damage trust, when unfavorable (Kumar, 1996).

In the context of this study, familiarity was defined as how familiar the meeting planner perceives the DMO's service based on the frequency of the contacts, quality of prior experience, and existence of previous knowledge on the DMO. As explained in this section, meeting planner's familiarity with the DMO can be a prerequisite of the planner's satisfactory experience and mutual trust between the planner and the DMO. The lesson from Baloglu and Love (2005) made this study considered familiarity one of unavoidable antecedents to explain the impact of relationship marketing on meeting planners' behavioral intention. For that reason, this study also developed hypotheses of the relationships between familiarity and two relationship marketing constructs as follows:

H₃: Familiarity with the DMO is positively related to meeting planners' satisfaction.

H₄: Familiarity with the DMO is positively related to meeting planners' trust.

Reputation

Whereas familiarity deals with a perception related to direct experience with the DMO, reputation deals with a perception associated with indirect experience about the DMO. Gotsi and Wilson (2001) provided their conclusive definition of corporate reputation based on the discussion of comparison between the two dominant schools of thought – the analogous school and the differentiated school as follows:

> A corporate reputation is a stakeholder's overall evaluation of a company over time. This evaluation is based on the stakeholder's direct experiences with the company, any other form of communication and symbolism that provides information about the firm's actions and/or a comparison with the actions of other leading rivals (Gotsi & Wilson, 2001, p.27)

Given this definition, while it is mixed up with the direct experience, reputation is more likely to be regarded as a perception mainly formed by the influence of symbolic communication rather than direct consumption of the firm's products and/or services (Gray & Balmer, 1998; Weigelt & Camerer, 1988).

Anderson and Weitz (1992) and Ganesan (1994) adopted the concept of reputation in the relationship-marketing context. Specifically speaking, Ganesan developed his idea based on Anderson and Weitz's claim that "reputation reduces the motivation of a channel member to act opportunistically, because such action would reduce the value of the reputation asset" and they

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named the construct as "perception of reputation for fairness" (Anderson & Weitz, 1992, p.22). Furthermore, Ganesan (1994) argue the relationship between reputation and trust (which is divided into credibility and benevolence) as follows:

Reputation for fairness is likely to have a positive effect on a vendor's credibility but not on benevolence. Reputation for fairness is built on the edifice of reliable and consistent behavior overtime. Such reputation of effective performance is easily transferable across firms and enhances the credibility of the vendor. In contrast, benevolence is based on caring and making sacrifices for the channel partner. Such motives can be realized only through actual interaction, not word-of-mouth" (p.5).

Even though Ganesan classified benevolence as a component of trust, it seems to be closer to the characteristics of commitment considering the definition of commitment includes willingness to sacrifice short-term incentives for the relationship with the business partner (Dwyer et al, 1987). Moreover, because this study differentiates reputation as an outcome of indirect experience with the DMO from familiarity which is related to both satisfaction and trust , it will be related only to trust, not satisfaction which is assessed by direct interaction. Therefore, this study developed a hypothesis of the relationship between reputation and trust as follows:

H$_5$: The DMO's reputation is positively related to meeting planners' trust.

Mediating Endogenous Constructs

Satisfaction

Despite the controversial debate on whether satisfaction is a process or an outcome, the majority of customer satisfaction researchers may prefer the concept of consumer satisfaction as a response to an evaluation process (Giese & Cote, 2000). Tse and Wilton (1988) defined customer satisfaction as follows: "the consumer's response to the evaluation of the perceived discrepancy between prior expectations (or some norm of performance) and the actual performance of the product as perceived after its consumption" (p. 204). One of the most popular models regarding customer satisfaction is the expectancy-disconfirmation model introduced by Oliver (1980). The model proposed that customers can be satisfied with a target product or service through subjective assessments to compare their expectations and perceptions because they were usually inquired by "worse than/better than expected" measure. Therefore, customer satisfaction is directly determined by subjective disconfirmation. Based on this view, this study defines satisfaction as the meeting planner's evaluation on the relationship that the DMO has attempted to build. Their evaluation (that is, satisfaction) is the function of what they expected based on their familiarity with the DMO or the DMO's reputation. Depending on the discrepancy between the expectation and the perception (based on the direct experience with the DMO), their level of satisfaction was determined.

Trust

Trust is a critical component to construct relationships between a customer and a service provider (Crosby et al, 1990) and has been defined in various ways. Moorman, Zaltman, and Deshpande (1992) defined it as "a willingness to rely on an exchange partner in whom one has confidence" and categorized previous definitions into two general views. The first one is the view that trust is "a belief, confidence, or expectation about a business partner's trustworthiness stemming from the partner's expertise, reliability, or intentionality" and the second view consider trust "a behavioral intention or behavior that reflects a reliance on a partner and involves vulnerability and uncertainty on the part of the trustor" (Moorman et al, p.315). The latter view emphasizes the importance of uncertainty because trust may not be necessary without it. When trustor can handle all the partner's actions and know perfectly what the future actions will be, there is no need for trust. In convention business and destination marketing context, the first view is appropriate because the business pattern is somewhat standardized and predictable (Fenich, 2008; Pike, 2004). Moreover, Morgan and Hunt (1994) suggested that trust could be defined as "confidence on the part of the trusting party results from the firm belief that the trustworthy party is reliable and has high integrity, which are associated with such qualities as consistent, competent, honest, fair, responsible, helpful, and benevolent" (p.23). Consequently, this study defined trust as the meeting planner's willingness to rely on the relationship which the DMO has attempted to build.

<u>Commitment</u>

Commitment has been defined as a pledge of relational stability between exchange partners, and implying a willingness to sacrifice short-term incentives to recognize longer-term benefits (Dwyer, et al, 1987). It can be divided into affective commitment and calculative commitment that seem to be relevant to explain inter-organizational relationships (Mattila, 2006). Although calculative and affective commitments are distinctly different in nature, most research usually has focused on affectively motivated commitment. Like trust, it is regarded as an essential component for reciprocally beneficial relationships and furthermore it focuses on the long-term desire of entities to continue a relationship (Doney & Cannon, 1997; Dwyer et al, 1987; Friman et al, 2002; Morgan & Hunt, 1994).

However, it is referred to the consequence of trust because customers are not likely to be committed if trust is already not founded considering commitment entails vulnerability and sacrifice (Garbino & Johnson, 1999; Morgan & Hunt, 1994). Furthermore, satisfaction is also regarded as a precursor of commitment because it strengthens the consumer's decision to take part in the service process and guides to commitment (Fornell, 1992; Tax, Brown, & Chandrashekaran, 1998). Because the influence of satisfaction on trust (Crosby et al, 1990; Garbino & Johnson) and on commitment (Kelley & Davis, 1994; Tax et al) has been discussed in the literature, this study places commitment in the consequential construct among the mediating constructs while satisfaction and trust function as the antecedents of the commitment. The relationships of these constructs lead to the following hypotheses:

H_6: Satisfaction of the relationship with DMO is positively related to trust.

H_7: Satisfaction of the relationship with DMO is positively related to commitment.

H_8: Trust in the relationship with DMO is positively related to commitment.

Ultimate Endogenous Construct

As the final consequence of this destination RM model on convention market, behavioral intentions were investigated. While repeat business or revisit intention and favorable word of mouth (WOM) are the possible outcomes that DMOs expect the long-term relationship from meeting planners, WOM may be regarded as the most important and measurable behavioral intention in consideration of many factors for destination/ venue selection (Fenich, 2008; Pike, 2004).

Garbarino and Johnson (1999) suggested three items for future intentions while Deslandes (2003) suggested the semantic differential questions to measure destination purchase intentions (he used four sets of adjectives to represent the tourists' beliefs about returning to the destination). Furthermore, considerable literature mentioned the direct relationship between the satisfaction and behavioral intention (Garbarino & Johnson, 1999; Kim, 2009; Moorman et al, 1992) and between trust and behavioral intention (Bettencourt, 1997; Garbarino & Johnson, 1999; Gefen, 2000; Moorman et al, 1992; Wong et al, 2008) as well as its relationship with commitment (Garbarino & Johnson, 1999; Lee & Hiemstra, 2001; Mattila, 2006; Moorman et al, 1992; Wong et al, 2008).

Therefore, this study proposed meeting planners' behavioral intentions to spread positive word of mouth and use the services provided by the DMO as the consequence of RM mediating constructs, which are composed of their satisfaction, trust, and commitment in terms of the relationship with the DMO. The hypothetical relationships between RM mediating constructs and meeting planners' behavioral intentions towards the DMO are summarized in the following hypotheses:

H_9: Satisfaction of the relationship with DMO is positively related to meeting planners' behavioral intentions.

H_{10}: Trust in the relationship with DMO is positively related to meeting planners' behavioral intentions.

H_{11}: Commitment to the relationship with DMO is positively related to meeting planners' behavioral intentions.

As a result, the research framework is illustrated in Figure 1. In order to achieve the objectives of the study, a comprehensive review of the existing relevant literature had been performed, and subsequently, a theoretical structural model was developed that incorporated concepts from the fields of relationship marketing and destination marketing. As presented in Figure 1, the constructs in this study include the antecedents (exogenous constructs) for DMO's relationship marketing (customer orientation, familiarity, and reputation) perceived by meeting

planners, the three mediating constructs (satisfaction, trust, and commitment), and behavioral intention (BI) towards the DMO as the consequence of the mediators.

The measurement items for all the constructs in the proposed RM model will be discussed in the next chapter to provide the basis of the questionnaire in the process of data collection.

Exogenous Construct

Endogenous Constructs
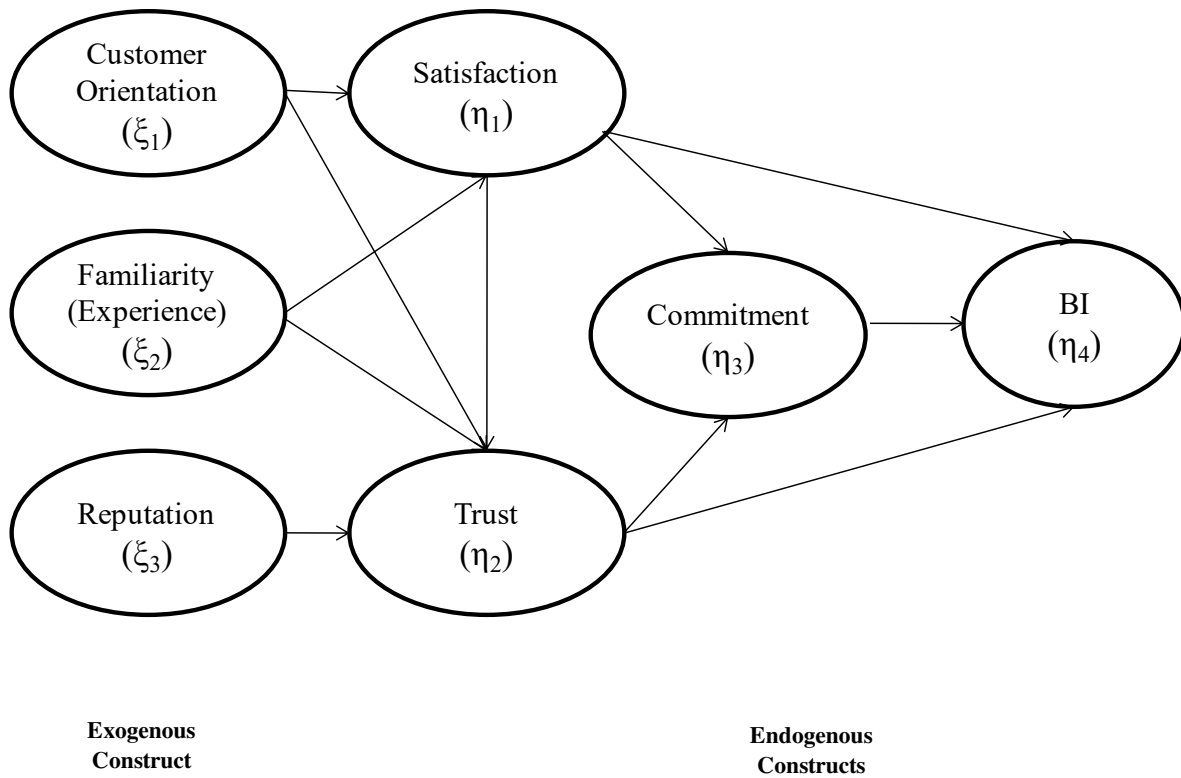
Figure 1. Proposed RM Model for Convention Destination Marketing.

CHAPTER THREE: METHODOLOGY

Introduction

This chapter specifies the research methodology used in this study to empirically test the research hypotheses in the proposed model. In the first section, the research design and survey instrument are described. Specifically, the research population, sampling, and the instrument development are discussed. Then, the second section provides a discussion of data analysis plan, which includes the statistical method (structural equation modeling) that was employed in each research question. Finally, the issues of the reliability and validity of the measurement scales are addressed.

Research Design

Research Population and Sampling

The population for this study was meeting planners who mainly manage citywide conventions in the United States. Because in-house event, which can be defined as an event which held in one facility – usually a hotel, may not need DMO's support much (Kathleen Canning, Deputy General Manager in Orange County Convention Center, May 2010, personal communication), this study decides to focus on the citywide event which needs considerable

support and services from the DMO in the hosting community. While the meeting planners who manage an in-house event may not need the DMO's services, the DMO relatively plays a critical role for the meeting planners in a citywide event by providing a variety of services, which include gathering suppliers to the negotiation table, offering housing management services and temporary workers.

The sampling frame was the planners who attend an annual conference that are prepared for education and networking opportunities. The reason why this study focuses on the planners in the conferences which association meeting planners are the majority of the attendees are that most of association meetings are considered citywide conventions that need the help of DMOs (Tammi Runzler, April 2010, personal communication). The size of the sample should be determined by the number of parameters in the proposed model but might be estimated that approximately 300 ~ 400 responses from data collection should be needed in the consideration of statistical analysis, which is structural equation modeling (Hair, Anderson, Tatham & Black, 1998).

Purposive sampling was conducted at conferences that meeting planners gathered. The investigator was planning to attend conferences considering the time line of this research project and the availability of the conference: After contacting several conference managers, these two conferences allowed the researcher to collect the data: Professional Convention Management Association (PCMA) Annual Convention "Convening Leaders" (January 9 - 12, Las Vegas, NV) and Religious Conference Management Association (RCMA) annual conference and exhibition (January, 26 - 27, Tampa, FL).

However, although the conferences were targeted for data collection of this study, additional data collection was needed considering the number of parameters in the research model. Therefore, the researcher developed a web-version of the questionnaire and it was posted on an online survey website, Survey Monkey.com. With the help of Visit Florida, the state-level DMO in the State Florida, emails were sent out to meeting planners. Like other Internet-based surveys, the online survey was conducted with volunteer respondents who received the invitation email from the researcher and asked to visit the survey website. After the online survey was completed in April, this study got sufficient responses for structural equation modeling (SEM) analysis.

Survey (Instrument) Development

First, the investigator developed a survey questionnaire to examine the proposed relationship marketing (RM) model through interviews with professionals in meeting and convention industry as well as review of previous studies on relationship marketing. The interviews have been conducting with the help of a professor of a hospitality program at a university in southeast region of the United States. The interviewees are marketers in a CVB of top-tier convention destination and an executive in a convention center while a group of meeting planners were interviewed to ask the face validity of the questionnaire. A survey based on the results of the preliminary activities, containing both closed and open-ended questions, was then created.

The survey questionnaire was composed of four parts. The first part was a brief introduction to explain the purpose of the survey, the human subject's right for protection of confidentiality and privacy. In the second part, for consistent evaluation among the DMOs in the same level (i.e. top-tier convention destination), the researcher provided the list of the top 25 convention destinations with which DMOs are affiliated based on the previous study (Breiter, 2006) and an industry report (The 2004 Business and Convention Travelers Report, as cited in Hotel Online, 2005). Before they rate the perceptions of the relationship with a DMO, the respondents were asked to select the DMO (exactly the CVB in a convention destination in the United States) as the reference of their rating. The DMO was the one that they had worked with for an event most recently planned and coordinated by the respondents. The third part was the questions that ask the respondents to rate their perceptions of their relationship with the DMO. The questions consist of the perception of 1) the factors as antecedents of relationship quality (i.e. customer orientation, familiarity, and reputation), 2) the components of relationship quality (i.e. satisfaction, trust, and commitment), and 3) behavioral intentions. The measurement items of the constructs in the questionnaire are shown in Table 2.

Table 2
Measurement Items of the Constructs in the Proposed RM Model

Constructs	Measurement Items	Source
Customer Orientation	• The CVB representatives understand what I want most. • The CVB representatives are willing to go beyond their standard procedures to fulfill my wishes. • The CVB representatives continuously search for a new way to give prompt services to me. • The CVB representatives care about me. • The CVB representatives consider my needs. • The CVB feels that I am important to the success of the destination. • The CVB representatives are able to consider my perspective. • The CVB representatives know how to treat a customer well.	The first three are adopted from Chao et al (2007); the next three are from Bristow & Schneider (2006); the last two are from Kim (2009)
Familiarity	• I have worked with the CVB many times in the past. • I am a frequent client of the CVB. • I am familiar with the CVB's services. • I was not familiar with the CVB before my recent experience (-)	The first two items are adopted from Gefen (2000); the next item comes from Hess et al (2003); the last item is developed by researcher
Reputation	• The CVB has a reputation for good services. • The CVB has a reputation for being concerned about their clients. • Most planners would like to work with the CVB. • The CVB has a bad reputation in the industry. (-)	All items are adopted from Ganesan (1994) and revised by researcher
Satisfaction	• I was satisfied with the services of the CVB. • My experiences with the CVB were not pleasant. • Compared to other CVBs, I am very satisfied with this CVB. • Based on all my experience with this CVB, I am very satisfied. • My experiences with the CVB have always been pleasant.	The first three are adopted from Garbino & Johnson (1999); the last two are from Bettencourt (1997)
Trust	• The CVB can be relied upon to keep their promises. • There are times when I find the CVB to be insincere. (-) • I find it necessary to be cautious in dealing with the representative in the CVB. (-) • The CVB is trustworthy. • I trust the CVB to do things I cannot do for myself in the destination.	The first four items are adopted from Crosby et al (1990); the last item comes from Moorman et al (1992);
Commitment	• I am committed to working with the CVB.	The first are adopted

	• I am willing to sacrifice short-term incentives from other CVBs to get long-term benefits from the CVB. (-) • I would look for another CVB as a business partner even if it costs time or money. (-) • I am dedicated to continuing my relationship with the CVB	from Morgan & Hunt (1994); the next item is from Garbino & Johnson (1999); the rest are from Gundlach et al (1995)
Behavioral Intention	• I say positive things about the CVB to other people. • I recommend the CVB to someone who seeks my advice. • I encourage colleagues to do business with the CVB. • I will use destination-meeting services provided by the CVB. • I will use housing management services provided by the CVB. • I will use registration system services provided by the CVB. • I will use temporary workers procured by the CVB.	The first three are adopted from Zeithaml et al (1996); the last four items came from the interviews with marketers in a CVB

Cf. (-): reverse coding;
All the items will be rated on the Likert scale (1 = strongly disagree, 7 = strongly disagree)

An open-ended question was provided as the form of a textbox that allowed the respondent to share any additional comments, although it was not mandatory. The last part was used to gather background information of respondents (e.g., industry experience, demographics, etc.). This survey questionnaire was consulted the hospitality professors at a couple of universities for face validity.

Next, the investigator visited the conferences that meeting planners attend in order to obtain the increased response rate and some feedback from discussion with the planners. The researcher contacted conference management to get approval for the survey on-site during the events. The self-administered survey questionnaires were collected by the researcher when the respondents complete the survey while the responses, which were submitted in the online survey, were stored and provided to the researcher at the form of excel data.

Data Analysis Plan

This study examined the research questions through the analysis using appropriate statistical methods. The first question of the research is to find the determining factors leading to relationship quality in the meeting industry context. The proposed exogenous constructs with the measurement items were analyzed by the confirmatory factor analysis (CFA) to determine which items should be maintained in the constructs. Moreover, the relationships between the exogenous constructs and mediating endogenous constructs were examined by analyzing the fit of structural model. For the second question, namely whether the perceived relationship helps to create planners' favorable behavioral intentions was tested by analyzing the hypothesized relationships between the mediating endogenous constructs and the ultimate endogenous construct. Finally, overall model fit was discussed through the assessment of the model fit indices and interpretation of the results.

Measurement Model for CFA

There are two distinct components in structural equation modeling: 1) the measurement model and 2) the structural equation model. First, the measurement model is the element of the general model in which latent variables are prescribed. The latent constructs are unseen variables implied by the covariance among two or more observed indicator (Hair et al., 1998). By using confirmatory factor analysis for the measurement model, hypotheses regarding

relationships among observed variables and their underlying latent constructs are assessed. Therefore, the measurement model specifies the posited relationships of the observed variables to the latent constructs, while describing the freedom of random error and uniqueness associated with their indicators (Schumacker & Lomax, 2000). Therefore, eight items under customer orientation, four under familiarity, and four under reputation were examined for whether each of those items can be retained in each latent construct. Furthermore, measurement items in endogenous constructs such as satisfaction (five items), trust (five items), commitment (four items), and behavioral intention (seven items) were confirmed through the analysis of the relationships between observed variables and the constructs.

Structural Model

The structural model is the hypothetical model that proposes relationships among latent constructs and observed variables that are not indicators of latent constructs (Yoon, 2002). In general, the model accounts for the linkage between the constructs and other constructs through showing path coefficients for each of the research hypotheses. Particularly, each estimated path coefficient can show its individual statistical significance for the hypothesized relationships whereas standard errors and calculated t-values can also be sources to examine the relationships (Hair et al., 1998; Schumacker & Lomax, 2000). As the connection between observed variables and latent constructs must be determined in the measurement model, a particular structure between exogenous and endogenous constructs must be posited in a structural model. Maximum

likelihood (ML) is a common method to estimate the model as ordinary least squares (OLS) method is used in multiple regression (Hair et al., 1998). Consequently, the structural model makes an available explanation for observed relationships in a meaningful and parsimonious way. Furthermore, direct, indirect, and total structural effects of the exogenous constructs on the endogenous constructs can also be accounted for in the model (Bollen, & Jöreskog, 1985).

The eleven hypothesized relationships of seven research constructs (three exogenous, three mediating endogenous, one ultimate endogenous) in the proposed structural model were tested using a LISREL 8.80 package for structural equation analysis (Jöreskog & Sörbom, 1999). In this study, the maximum likelihood estimation (MLE) method was employed for model assessment suggested by researchers (Anderson & Gerbing, 1988; Hair et al, 1998).

Structural Equation Modeling (SEM) is designed to evaluate how well a proposed conceptual model that contains observed indicators and hypothetical constructs explains or fits the collected data (Bollen & Jöreskog, 1985). It also provides the ability to measure or specify the structural relationships among sets of unobserved (latent) variables, while describing the amount of unexplained variance (Hu & Bentler, 2000; McDonald & Marsh, 1990). Therefore, the SEM procedure is an appropriate solution for testing the proposed structural model and hypotheses for this study.

Issues in Reliability and Validity of the Measurement Variables

When variables were measured in empirical studies, reliability and validity are key issues to prove the accountability of the research model that consists of the observed variables. Reliability is the extent that a variable maintains consistency in what it is supposed to measure between multiple measurements. It is not what should be measured (validity) but how it is measured. In other words, it should be the answer for whether the measurement is random error-free and generates the same results on repetitive attempts (Gable & Wolf, 1993). In statistical terms, reliability is the proportion of the genuine variance to the total variance of the data created by a measuring instrument, and the proportion of error variance to the total obtained variance produced by a measuring instrument subtracted from 1.00 (Yoon, 2002). Thus, the reliability coefficient (e.g., Cronbach's α) shows what proportion of variance in the measurement scale can be regarded as a true variance. To estimate measurement reliability, the internal consistency method was used for this study suggested by Gable and Wolf (1993) and Zikmund (2003). One of the most common methods for scales reliability, the internal consistency method appraises how homogeneous the measurement scale is, and examines the variance-covariance constituents of the measures of a construct (Yoon, 2002). This method assesses the extent to which the measurement items are sufficiently associated with other items that should measure the same construct.

In addition, the composite reliability was utilized to evaluate the reliability of a main measure of each construct in the measurement model because structural equation modeling

(SEM) was employed in this study. The reliability for each construct that has multiple indicators was calculated individually through LISREL estimating processes (Hair et al., 1998; Yoon, 2002). As a rule of thumb, generally agreed threshold for composite construct reliability is .70 while values between .60 and .70 could be acceptable in exploratory research (Gable & Wolf, 1993; Hair et al., 1998). Moreover, the variance extracted measures were considered another assessment tool for construct reliability to describe the overall variance in the indicators that explained the underlying construct. If the variance extracted value is higher than .50, in can be concluded that the latent construct are well accounted for by the indicators (Hair et al., 1998). Those two reliability measures were calculated by the following formulas:

Construct reliability = (Σ standardized loadings)^2 divided by [(Σ standardized loadings)^2 + Σ indicator measurement error];

Variance extracted = (Σ squared standardized loadings) divided by (Σ squared standardized loadings + Σ indicator measurement error) (Hair et al, p.612).

Validity indicates capability of observed indicators related to a construct to represent precisely the concept of interest (Hair et al., 1998). It also deals with the adequacy of a scale and its ability to predict specific events, or its relationship to measures of other constructs (Yoon, 2002). To support construct validity (i.e. the ability of a measure to confirm a network of related hypotheses created from a theory based on the constructs), face/content validity (i.e. professional's evaluation of the degree of agreement between the items selected to establish a

summated scale and its conceptual definition) was examined (Hair et al, 1998; Yoon, 2002; Zikumund, 2003).

In this study, the face/content validity was mentioned by getting information about the questionnaire from the professors who are familiar with the concepts and contents of convention industry, and from industry professionals as well. Furthermore, the structural equation modeling process provided the assessed results for construct validity. In detail, convergent validity was assessed in the measurement model by confirmatory factor analysis by examining item reliabilities, composite reliabilities, and variances extracted (Hair et al., 1998; Yoon, 2002; Zikumund, 2003). In other words, if all the measures for the indicators in the same construct exceeded the recommended levels, it can be concluded that convergent validity of the constructs was accomplished. To assess the discriminant validity, the Chi-square differences between the unconstrained and constrained models of each pair of constructs were compared. That is, the correlation parameter between the constructs was constrained at 1.0 and then Chi-square difference values of constrained models from those of the baseline model were compared to test discriminant validity (Yoon, 2002; Zikumund, 2003). If the value of the Chi-square statistic is larger than the critical value of Chi-square with 1 degree of freedom (because the constrained model lost one parameter), the two constructs are considered discriminant. Consequently, the discriminant validity would be proved (Hair et al., 1998; Yoon, 2002). More detailed information about the results of reliability and validity tests were reported in the next chapter.

CHAPTER FOUR: DATA ANALYSIS AND RESULTS

Introduction

This chapter presents the results of data collection and the findings of the applied statistical tests. Firstly, the preliminary tests of the collected data are presented and the demographic profiles of the respondents that constituted the sample are described. Next, the results of descriptive statistics of the measurement scales for the seven constructs: customer orientation, familiarity, reputation, satisfaction, trust, commitment, and behavioral intention are reported. Then, the reliability and validity of the measurement scales are examined and reported. Finally, the results of hypotheses tests applied in SEM (Structural Equation Modeling) with LISREL are presented and interpreted.

Data Collection

Since the main focus of this study was an investigation of meeting planners' perception of CVBs' relationship marketing in the meeting and convention industry, the study samples were meeting planners who are currently working with CVBs for their events (i.e. sending a RFP to, negotiating with, and/or contracting with the CVBs). There were two sources of data collection. One was a face-to-face paper-based survey on conferences that most attendees were

meeting planners, and the other was an online survey which was conducted on a professional survey website.

First, the Professional Convention Management Association (PCMA) Education Foundation was contacted and an approval for on-site survey was granted after a series of communication with PCMA executives including the president of the association. Therefore, the first data collection was made in January 10 -13, 2011. It was the period of PCMA's annual conference (also known as 'Convening Leaders') at MGM Grand in Las Vegas and total 103 competed survey questionnaires were collected. (Appendix A for cover letter and Appendix B for the final survey instrument).

The next data collection source was the Religious Conference Management Association (RCMA) that held their annual conference at Tampa Convention Center on January 26 – 27. The conference management allowed the researcher to approach their attendees while the meeting planners were having education sessions and exploring exposition hours. During the two days' conference, 72 responses were collected.

Considering the number of variables in the study, this study needed more responses to analyze the data in SEM techniques because of recommended minimum ratio of at least five respondents for each observed variable (Hair et al., 1998; Schumacker & Lomax, 2000). Consequently, an online version of the questionnaire was developed and posted on Survey Monkey.com. Visit Florida, the state-level destination marketing organization (DMO) which is headquartered in Tallahassee, Florida, was contacted for data collection and sent out an invitation email that had a hyperlink to the survey website to their meeting planner contacts

based on their emailing list in April, 2011. Originally, two contacts (including a reminder email as well as the invitation email) were planned but only one contact – the initial email – was allowed because of the two reasons: 1) sufficient sample size was collected after the first contact: 229 responses and 2) Visit Florida's consideration for meeting planners who are having many research requests by emails.

When the e-mails were sent to the meeting planners, the respondents were asked to click the hyperlink to complete the survey. Once they moved to the survey website, the welcome page (equivalent to the cover letter in paper version) and survey questions that were the same as the paper version were provided on the form of Internet-based user interface. Since this study is of an exploratory nature, the combination of face-to-face (paper-based) and e-mail (online-based) surveys can be acceptable as long as the meeting planners were randomly selected from the study population. In sum, after eliminating the unusable responses (especially in paper-based surveys) while the data were coded, a total of 404 surveys were used for the preliminary data analysis.

However, it is impossible to obtain accurate response rate because of the two reasons. Firstly, when the survey questionnaires were distributed at the conferences, it is hard to track how many questionnaires were asked because the questionnaires, which were not attempted to fill out, were recycled for another request to different attendees. Moreover, the questionnaires were completed by intercept request for completion to the meeting planners while the planners were having a refreshment break, and by volunteered completion of the pre-set questionnaires on the tables when the meeting planners were having educational sessions. The repeated use of unanswered questionnaires caused the difficulty in calculating the number of distributed

questionnaires. Secondly, the emails that were sent out by Visit Florida couldn't be counted

accurately because they used the snow ball approach to get more responses. That is, it was

encouraged that the meeting planners who received the email would forward it to the colleague

planners. As show in Table 3, the online survey sample was the majority in the whole sample

(56.7%) while the PCMA was the second largest and the RCMA was the least.

Table 3
Sample Size by Sources

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	PCMA	103	25.5	25.5	25.5
	RCMA	72	17.8	17.8	43.3
	Online	229	56.7	56.7	100.0
	Total	404	100.0	100.0	

For further analyses such as descriptive analysis and structural equation modeling (SEM)

analysis, the data from these three sample groups were aggregated, especially for sufficient

sample size for SEM. This study tested the differences between the sources by ANOVA to see

their homogeneity and the results showed that respondents from PCMA and online were

different from each other in most constructs (total scores for each construct were used for this

analysis) while other pairs (i.e. RCMA and online; PCMA & RCMA) did not show any

significant difference. Therefore, while this study had to use this pooled sample, it may cause

one of limitations in the study that cannot be generalizable to other cases.

Profile of Respondents

Demographic Characteristics of Meeting Planners

The demographic characteristics of meeting planners in this study were measured by type of meeting planner, working experience as a meeting planner, number of annually planning meetings, gender, age, and education. Respondents were asked to provide their answers to questions that were designed by nominal scales and open-ended ratio scales (only for working experience and the number of annually planned meetings). The variables that were designed by ratio scales were recoded into nominal values and then were profiled. The summary of demographic characteristics of respondents is reported in Table 4. The following discussion compares the major characteristics of samples collected for this study.

The majority of the respondents were association meeting planners (52.1%) while third party planners (19.8%), corporate planners (16.3%), and other types of planners (11.7) followed. Their average working experience as a meeting planner was about 15 years (mean was 14.55 and median was 14.5 years). Most of them plan approximately 8 meetings (median was 8 while mean was 23.57) while 38.2% responded that they plan less than 5 meetings in a year. The respondents were composed of male (23.2%) and female (76.8%). Regarding age, the result showed that 44.8% of respondents were born between 1946 and 1964 (Baby Boomer Generation), followed by Generation X - between 1965 and 1979 (38.8%). Education levels of meeting planners revealed that 55.0% of respondents had four-year college degrees while 20.6%

had a graduate school degree (master 18.3% and doctoral 2.3%) and 18.1% of them had two-year college degrees. This result implies that most of the respondents were highly educated.

The researcher ran the analysis of variance (ANOVA) for each categorical variable to see the differences between the groups. While not many significant differences were found in most variables, two significant differences were found in familiarity (p = .021) and satisfaction (p = .044) in terms of experience. Despite the overall differences, the significant differences between the groups were not found based on the post hoc test (Scheffe).

Table 4
Demographic Characteristics of Meeting Planners

Variables	Frequency (N = 404)	Valid Percent (%)
Type of meeting planner (*n* = 349)		
Association meeting planner	182	52.1
Corporate meeting planner	57	16.3
Third party meeting planner	69	19.8
Others	41	11.7
Working experience (*n* = 346, *M* = 14.55 years, *SD* =8.42)		
<= 10	136	39.3
11 – 20	143	41.3
21 – 30	55	15.9
31+	12	3.5
Number of meetings (*n* = 343, *M* = 23.57, *SD* =44.85)		
<= 5	131	38.2
6 – 15	103	30.0
16 – 25	34	9.9
26 – 35	18	5.2
36+	57	16.6
Gender (*n* = 345)		
Male	80	23.2
Female	265	76.8
Age (*n* = 348)		
Born before 1946	31	8.9
Born between 1946-1964	156	44.8
Born between 1965-1979	135	38.8
Born after 1980	26	7.5
Education (*n* = 349)		
Below high school degree	1	.3
High school diploma	21	6.0
Two-year college degree (e.g., Associate degree)	63	18.1
Four-year college degree (e.g., Bachelor's degree)	192	55.0
Master's degree	64	18.3
Doctoral degree	8	2.3

M = Mean, SD = Standard Deviation

<u>Preliminary Data Analysis</u>

Normality Test

Since Structural Equation Modeling (SEM) was used for testing the hypotheses in this study, the univariate or multivariate normality should be valid for statistical hypothesis testing (Hair et al, 1998; Schumacker & Lomax, 2004; Yoon, 2002). Without valid normality, the Chi-square statistic can be inflated and upward bias will be produced in critical values for determining coefficient significance. Depending upon the degree of violation of normality, different estimation methods may be suggested to test the hypotheses in structural equation modeling. For example, if the data have a normal distribution, the maximum likelihood (ML) or generalized least squares (GLS) estimation process is suggested. If not, the weighted least square (WLS) estimation should be used with a large sample size (Bollen, & Jöreskog, 1985; Jöreskog & Sörbom, 1999; McDonald, 2004). Subsequently, if the data achieve normal distribution and the sample size is large enough, the maximum likelihood (ML) is recommended because of its computational simplicity, accuracy, and correctness of statistical results (Schumacker & Lomax, 2004).

Generally, the normality of variables can be tested by skewness and kurtosis (Norušis, 2004; Zikmund, 2003). Zero is considered perfect normality in the data distribution of the variable. Skewness can be classified into two directions; positive skewness indicates a distribution with an asymmetric tail extending toward more a positive value and negative

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skewness shows a distribution with an asymmetric tail extending toward more negative values. Kurtosis refers to the proportions of scores in the middle of a distribution or in its tails relative to those in a normal curve, and it usually explains the relative peakedness or flatness of a distribution compared to the normal distribution. Positive kurtosis specifies a relative peak, and negative kurtosis shows a relative flat. In this study, the normality of data in terms of skewness and kurtosis was examined by SPSS 18.00 (Norušis, 2004). As a rule of thumb, Yoon (2002) suggested that the variables can be regarded as moderately non-normal if they specify skewness values ranging from 2.00 to 3.00 and kurtosis values from 7.00 to 21.00; extreme normality is indicated by skewness values greater than 3.00, and kurtosis values greater than 21. The results of skewness and kurtosis on each measurement scale for seven constructs were examined. With the above categories as guidelines, and with skewness and kurtosis values of less than 2 in all of the measurement items for the seven constructs, it can be considered that generally the measurement items were normally distributed and any further treatments of data such as log-transformation were not required.

Descriptive Analysis of Selected Convention Destinations

CVBs that the respondents have worked with

The respondents were asked to identify all CVBs if they have any experience to send a request for proposal (RFP) to, negotiate with, and/or contract with the CVBs during the past five

years (2005 ~ 2010). The reason why this study limits the past five years was to consider current trend by eliminating the meeting planners' vague memory. If not, they may have trouble to remember all the CVBs since they have started to work. It was considered when the researcher checked the face validity of the questionnaire with industry professionals and professors who have experience and knowledge on the convention industry.

Furthermore, the experience had to be restricted to these three direct experiences as follows: whether they send an RFP, enter into negotiations with, and/or make a contract with CVBs because other contacts such as making simple inquiries, asking for directory of members, and merely participating in familiarization (FAM) trip cannot be regarded as authentic business relationship in the convention industry.

Out of top 25 convention destinations, Orlando, FL was selected most frequently worked with the respondents. Approximately 45% of the respondents had business relationship with Visit Orlando (formerly Orlando/Orange County CVB), followed by Atlanta CVB (ACVB; 35.3%), Chicago Convention & Tourism Bureau (CCTB; aka Choose Chicago; 34.8%), San Diego CVB (SDCVB; 33.3%), New Orleans CVB (NOCVB; 31.3%), Destination DC (formerly Washington, DC Convention & Tourism Corporation; WCTC; 31.1%), Las Vegas Convention and Visitors Authority (LVCVA; 30.3%) and the CVBs were identified by more than 30% of respondents.

In the sample from PCMA conference, 54 respondents (out of 102) have worked with the CVBs in Chicago, San Diego, and Washington DC while only 12 meeting planners have experience with Honolulu CVB. In RCMA sample, Orlando and Atlanta were chosen from 25

respondents whereas Las Vegas was the least (only two respondents have experience with LVCVA). The respondents from online survey showed similar result but the fact that Orlando was selected as the destination with which the most respondents have experience (110), followed by Las Vegas (81), Atlanta (79), New Orleans (77), and Chicago (70). However, considerable number of respondents (90) mentioned other CVBs in the online sample while only 7 (PCMA) and 12 (RCMA) respondents specified other CVBs. The result is shown in Table 5.

Table 5
CVBs that Have Worked with Meeting Planners during the Past 5 Years

	PCMA	RCMA	Online	Total	Response Percent
Anaheim	23	7	49	**79**	19.7%
Atlanta	38	25	79	**142**	35.3%
Boston	37	4	59	**100**	24.9%
Chicago	54	16	70	**140**	34.8%
Dallas	37	19	60	**116**	28.9%
Denver	38	9	61	**108**	26.9%
Honolulu	12	4	15	**31**	7.7%
Houston	16	8	36	**60**	14.9%
Las Vegas	39	2	81	**122**	30.3%
Los Angeles	23	9	37	**69**	17.2%
Miami	23	3	52	**78**	19.4%
Nashville	28	12	58	**98**	24.4%
New Orleans	43	6	77	**126**	31.3%
New York	16	3	35	**54**	13.4%
Orlando	47	25	110	**182**	45.3%
Philadelphia	37	9	48	**94**	23.4%
Phoenix	31	13	65	**109**	27.1%
Portland	17	10	26	**53**	13.2%
Salt Lake City	14	6	38	**58**	14.4%
San Antonio	34	14	62	**110**	27.4%
San Diego	54	15	65	**134**	33.3%
San Francisco	36	4	55	**95**	23.6%
Seattle	36	7	47	**90**	22.4%
St. Louis	26	13	38	**77**	19.2%
Washington, DC	54	7	64	**125**	31.1%

CVBs that the respondents have worked with most recently

In the next question, the respondents were asked to select the CVB that they worked with for their most recently completed event. Most respondents completed their event most recently in Orlando (53; 17.2%) while San Diego (23; 7.4%), Atlanta (19; 6.1%), San Antonio (16; 5.2%) followed. Boston, Honolulu, and Salt Lake City were chosen by only four respondents each. Furthermore, considerably many respondents indicated the other CVBs (73; 18.3%) as the latest one for their recent event. Table 6 shows this result.

Table 6
CVBs that Worked with Meeting Planners for Their Most Recently Completed Event

	Frequency	Valid Percent (%)	Cumulative Percent (%)
Anaheim	10	3.2	3.2
Atlanta	19	6.1	9.4
Boston	4	1.3	10.7
Chicago	15	4.9	15.5
Dallas	11	3.6	19.1
Denver	14	4.5	23.6
Honolulu	4	1.3	24.9
Houston	6	1.9	26.9
Las Vegas	13	4.2	31.1
Los Angeles	5	1.6	32.7
Miami	12	3.9	36.6
Nashville	7	2.3	38.8
New Orleans	15	4.9	43.7
New York	7	2.3	46.0
Orlando	53	17.2	63.1
Philadelphia	8	2.6	65.7
Phoenix	10	3.2	68.9
Portland	5	1.6	70.6
Salt Lake City	4	1.3	71.8
San Antonio	16	5.2	77.0
San Diego	23	7.4	84.5
San Francisco	12	3.9	88.3
Seattle	10	3.2	91.6
St. Louis	11	3.6	95.1
Washington, DC	15	4.9	100.0

Descriptive Analysis of Measurement Items for Exogenous Constructs

Results of Customer Orientation

The results of descriptive statistical analysis for the customer orientation scale are presented in Table 7. This measurement scale consisted of 8 items reflecting the CVB representatives' customer orientation towards the respondents, which are meeting planners.

Respondents were asked to provide answers on each item that was measured by a five point Likert scale ranging from 1 being Strongly Disagree to 5 being Strongly Agree. Based on the mean score of each item, respondents tended to agree that the CVB representatives understand the meeting planner's wants ($M = 4.33$, $SD = .92$) and has attracted investment to the community ($M = 4.09$, $SD = .78$). Additionally, they also agreed that the representatives willingly go extra miles to meet the planner's expectation ($M = 4.00$, $SD = .85$), but some of the meeting planners were not sure that the CVB representatives keep looking for innovative ways for prompt service ($M = 3.77$, $SD = .91$) compared to other questions. Furthermore, respondents were likely to agree that the CVB representatives care about me ($M = 4.05$, $SD = .83$); have consideration for the planner's needs ($M = 4.08$, $SD = .76$); understand the importance of meeting planner for being a successful destination ($M = 4.16$, $SD = .81$); and have ability to consider from the meeting planner's perspective ($M = 4.02$, $SD = .77$). Finally, the meeting

planners are highly likely to think that the CVB representatives have know-how of treating the planners in appropriate way (*M* = 4.22, *SD* = .76).

Table 7
Descriptive Analysis of Customer Orientation Items

Customer Orientation Measurement Items	Mean (*M*)	Standard Deviation
1. The CVB representatives understand what I want most.	4.09	.778
2. The CVB representatives are willing to go beyond their standard procedures to fulfill my wishes.	4.00	.849
3. The CVB representatives continuously search for new ways to give prompt service to me.	3.77	.911
4. The CVB representatives care about me.	4.05	.834
5. The CVB representatives consider my needs.	4.08	.762
6. The CVB understands that I am important to the success of the destination.	4.16	.807
7. The CVB representatives are able to consider my perspective.	4.02	.776
8. The CVB representatives know how to treat a customer well.	4.22	.758

Note: Measurement scale, 1= Strongly Disagree and 5 = Strongly Agree

These results indicate that meeting planners have positive impression that CVB representatives are customer-oriented and seem to be satisfied with the representatives' attitude when they are working with or have worked with the CVB.

Results of Familiarity

The next measurement scale is familiarity, which means the meeting planners' direct experience with the CVB that they indicated as the latest one to have worked with for their most

recently completed event. The familiarity scale was composed of 4 items to know how the

meeting planners felt familiarity before the latest event supported by the CVB.

Table 8 shows the results of the descriptive statistics of the familiarity scale. This

measurement scale contains the meeting planner's past experience, whether the planner

requested service to the CVB frequently, how familiar the planner is with the various services

provided by the CVB, and whether the planner has previous experience before the latest event.

Respondents were asked to indicate their agreement on each item measured by five point Likert-

type scales ranging from 1 being Strongly Disagree to 5 being Strongly Agree. After obtaining

the respondents' answers to each item from the survey, one item (Item 4) out of four on this

measurement scale was reverse-coded. Accordingly, the higher mean scores can be interpreted as

the extent of respondents' higher familiarity on each statement. In other words, the higher mean

scores can be viewed as agreement with prior knowledge and/or experience regardless of the

recently completed event. However, this study used consistent terminology such as 'familiarity'

rather than prior knowledge or experience in further explanations.

From the results, respondents were likely to agree with most of the familiarity items

while the intensity of the agreement is somewhat weaker than the first scale (i.e. customer

orientation). With only one item, "I am familiar with the CVB's services." respondents tended to

show higher than 4 (agree), with 4.09 of the mean score while the other three items remains

almost in the middle of agreement and neutrality (neither agree nor disagree). Consequently,

respondents surveyed for this study might not have considerable opportunities to work with the

CVB although they have known the services provided by the CVB. However, their level of

familiarity may vary according to considerable dispersion (i.e. quite big standard deviations).

Table 8
Descriptive Analysis of Familiarity Items

Familiarity Measurement Items	Mean (*M*)	Standard Deviation
1. I have worked with the CVB many times in the past.	3.47	1.278
2. I am a frequent client of the CVB.	3.34	1.259
3. I am familiar with the CVB's services.	4.09	.848
4. I was not familiar with the CVB before my recent experience.*	3.79	1.273

Note: Measurement scale, 1= Strongly Disagree and 5 = Strongly Agree
* = Item 4 was reverse-coded

Results of Reputation

The results of descriptive statistics on reputation are presented in Table 9. A total of 4

items was measured by a five-point Likert scale ranging from 1 being Strongly Disagree to 5

being Strongly Agree. The higher mean scores indicate the CVB's higher reputation perceived

by respondents. This measurement scale basically contains an explanation of the meeting

planner's evaluation whether the CVB were recognized as reputable organization and also of

their peer's assessment that they heard.

Based on the mean scores of each item, the CVBs seem to have reputation to the meeting

planners and their peers. In other words, meeting planners appeared to have a good perception of

the CVB's reputation. Particularly, the item 4 ("The CVB has a bad reputation in the industry")

obtained somewhat higher mean score (4.17) than others while difference among meeting

planners seems to be considerable (*SD* = 1.021).

Table 9
Descriptive Analysis of Reputation Items

Reputation Measurement Items	Mean (*M*)	Standard Deviation
1. The CVB has a reputation for good services.	3.92	.806
2. The CVB has a reputation for being concerned about their clients.	3.91	.818
3. Most planners would like to work with the CVB.	3.70	.937
4. The CVB has a bad reputation in the industry.*	4.17	1.021

Note: Measurement scale, 1= Strongly Disagree and 5 = Strongly Agree
* = Item 4 was reverse-coded

However, respondents showed a little bit weak agreement in Item 3; "Most planners

would like to work with the CVB (*M* = 3.70, *SD* = .937)." Thus, it can be generally interpreted

that the meeting planners were not sure whether the CVB are easy to work with even though the

CVB seemed to have good reputation.

Descriptive Analysis of Measurement Items for Mediating Endogenous Constructs

Results of Satisfaction

Meeting planner's perception about satisfaction was measured by 5 items that consisted

of satisfactory services, pleasantness of the experience with CVB, relative level of satisfaction,

lasting impression after the experience at the event, and consistency in the experience related to the CVB. The respondents were asked to indicate their degree of satisfaction on each item that used a five-point Likert type scale ranging from 1 being Strongly Disagree to 5 being Strongly Agree.

As presented in Table 10, the meeting planners surveyed for this study somewhat highly satisfactory for the services of the CVB ($M = 4.15$, $SD = .77$), for not having unpleasant experiences ($M = 4.36$, $SD = .94$), and for the experience at the recent event ($M = 4.08$, $SD = .84$). Though a little less than 4 (agree), they are also satisfied with the CVB's performance when compared to other CVBs ($M = 3.95$, $SD = .88$) and with the consistent pleasant experiences with the CVB ($M = 3.97$, $SD = .85$). From the results, it can be implied that the respondents – meeting planners - are likely to be content with the experiences related to the CVB that provided services to them at their recent event.

Table 10
Descriptive Analysis of Satisfaction Items

Satisfaction Measurement Items	Mean (*M*)	Standard Deviation
1. I was satisfied with the services of the CVB.	4.15	.767
2. My experiences with the CVB were not pleasant.*	4.36	.939
3. Compared to other CVBs, I am very satisfied with this CVB.	3.95	.883
4. Based on my experience with this CVB, I am very satisfied.	4.08	.844
5. My experiences with the CVB have always been pleasant.	3.97	.854

Note: Measurement scale, 1= Strongly Disagree and 5 = Strongly Agree; * = Item 2 was reverse-coded

Results of Trust

Another mediating endogenous construct, trust was measured by 5 items that consisted of reliability of the CVB's promise, sincerity of the CVB, necessity of caution when working with the CVB, the CVB's trustworthiness, and trustable destination service of the CVB. The respondents were asked to indicate their degree of trust on each item that used a five-point Likert type scale ranging from 1 being Strongly Disagree to 5 being Strongly Agree.

The respondents showed a slightly high level of trust in the CVB because the mean scores of three items were higher than 'agree' out of five items while those of other two items were close to 'agree' level (See Table 11). Especially, the third item such as "I find it necessary to be cautious in dealing with the CVB" showed relatively high score ($M = 4.36$, $SD = .94$, reversely coded) and the respondents seldom have an opportunity to find the CVB's insincerity. From the results, it can be implied that the respondents – meeting planners - are likely to have confidence in the CVB based on their relationship.

Table 11
Descriptive Analysis of Trust Items

Trust Measurement Items	Mean (*M*)	Standard Deviation
1. The CVB can be relied upon to keep their promises.	4.15	.767
2. There are times when I find the CVB to be insincere.*	4.36	.939
3. I find it necessary to be cautious in dealing with the CVB.*	3.95	.883
4. The CVB is trustworthy.	4.08	.844
5. I trust the CVB to do things I cannot do for myself in the destination.	3.97	.854

Note: Measurement scale, 1= Strongly Disagree and 5 = Strongly Agree; * = Item 2 and 3 were reverse-coded

Results of Commitment

The last mediating endogenous construct, commitment was measured by 4 items that consisted of commitment to work with the CVB, willingness to sacrifice short-term benefits for long-term relationship, inclination to search for other CVBs, and dedication to continuing relationship with the CVB. The meeting planners rated their level of commitment on each item that used a five-point Likert type scale ranging from 1 being Strongly Disagree to 5 being Strongly Agree.

Compared to other previous constructs, the respondents rated slightly lower because the mean scores of all four items were between neutral point (neither agree nor disagree) and agree (Refer to Table 4.10). They may regard short-term incentives as important as the advantages from long-term relationship with a CVB ($M = 3.16$; $SD = .977$). Moreover, they may be inclined to expand the business networking as much as possible despite search cost ($M = 3.34$; $SD = 1.117$) while it may be controversial based on its considerably spread dispersion (i.e. big standard deviations).

Table 12
Descriptive Analysis of Commitment Items

Commitment Measurement Items	Mean (*M*)	Standard Deviation
1. I am committed to working with the CVB.	3.77	.946
2. I am willing to sacrifice short-term incentives from other CVBs to get long-term benefits from this CVB.	3.16	.977
3. I would look for another CVB as a business partner even if it costs time or money.*	3.34	1.117

81

| 4. I am dedicated to continuing my relationship with the CVB. | 3.88 | .861 |

Note: Measurement scale, 1= Strongly Disagree and 5 = Strongly Agree; * = Item 3 was reverse-coded

Descriptive Analysis of Measurement Items for Ultimate Endogenous Constructs

Results of Behavioral Intention (BI)

Descriptive statistics for behavioral intention are presented in Table 13. The measurement scale consisted of 7 items reflecting positive word of mouth, willingness to recommend the CVB, encouragement of colleagues to work with the CVB, and future intention to use the services provided by the CVB, which are destination-meeting services, housing management, reservation management, and procurement of temporary workers. Respondents rated items measured by a five point Likert scale ranging from 1 being Strongly Disagree to 5 being Strongly Agree.

As shown in Table 13, the mean scores of the measurement items were between 2.42 and 4.24. The highest mean score was "recommend the CVB to someone who seeks my advice" ($M = 4.24$, $SD = .75$), followed by "say positive things about the CVB to other people" ($M = 4.22$, $SD = .76$)," and "encourage colleagues to do business with the CVB" ($M = 4.17$, $SD = .79$). Respondents expressed somewhat hesitating responses to items related to intention to use their services such as "use destination-meeting services provided by the CVB" ($M = 3.60$, $SD = 1.02$), "use housing management services" ($M = 2.83$, $SD = 1.21$), "use registration system services provided by the CVB" ($M = 2.42$, $SD = 1.15$), and "use temporary workers procured by the CVB" ($M = 3.25$, $SD = 1.19$).

From the results, it can be noted that behavioral intentions related to the CVB's services are weaker than the willingness to spread the positive word of mouth comments regarding the

CVB and the former intentions are quite diverse among the meeting planners based on the centrality index (i.e. standard deviation).

Table 13
Descriptive Analysis of Behavioral Intention Items

Behavioral Intention Measurement Items	Mean (*M*)	Standard Deviation
1. I will say positive things about the CVB to other people.	4.22	.755
2. I will recommend the CVB to someone who seeks my advice.	4.24	.755
3. I will encourage colleagues to do business with the CVB.	4.17	.793
4. I will use destination-meeting services provided by the CVB.	3.60	1.015
5. I will use housing management services.	2.83	1.211
6. I will use registration system services provided by the CVB.	2.42	1.146
7. I will use temporary workers procured by the CVB.	3.25	1.187

Note: Measurement scale, 1= Strongly Disagree and 5 = Strongly Agree

Reliability and Validity of Measurement Scales

Reliability of Measurement Scales

Because reliability is an important issue in any measurement scale, scale reliability is regarded as the proportion of variance attributed to the true score of the latent construct (Hair et al, 1998; Yoon, 2002). It usually is measured by internal consistency that specifies the homogeneity of items consisting of a measurement scale. The internal consistency means the extent that its items are correlated to each other. Therefore, high inter-item correlations describe that the items of a scale have a solid association to the latent construct and are possibly

measuring the same thing. Typically, the internal consistency of a measurement scale is

evaluated by using Cronbach's coefficient alpha and calculating the Cronbach's alpha along with

the item-to-total correlation for each item examined in the overall reliability of the measurement

scale (Zikmund, 2003).   General recommendation for an acceptable Cronabach's coefficient as

an internally consistent scale is above .70 and further analysis can be possible with the

coefficient. However, if the scale has a coefficient alpha below .70, it should be examined for

any sources of measurement errors such as inadequate sampling of items, administration errors,

situational factors, sample characteristics, number of items, and theoretical errors in developing a

measurement scale (Schumacker & Lomax, 2000).

Table 14
Summary of the Measurement Reliability (Cronbach's Alpha)

Measurement Scale	Number of Items	Cronbach's Alpha (α)
Customer Orientation	8	.950
Familiarity	4	.732
Reputation	4	.791
Satisfaction	5	.867
Trust	5	.773
Commitment	3	.721
Behavioral Intentions	7	.761

As an initial examination of the reliability for the measurement scales for the seven

constructs proposed in this study, the Cronbach's alpha coefficients were calculated in SPSS

18.0 and presented in Table 14. All of the measurement scales for the seven constructs obtained

an acceptable level of a coefficient alpha above .70, specifying that the measurement scales are reliable and fitting for further data analysis. Particularly, in assessing the reliability of the commitment scale, it was revealed that the level of alpha reliability increased from .375 to .721 after item 3 "I would look for another CVB as a business partner even if it costs time or money" was deleted. Therefore, further analysis will determine if the three remaining items explain the construct sufficiently.

As another approach to measuring the reliability, the composite reliability and variance extracted were calculated and reported in the next section of Confirmatory Factor Analysis (CFA). Composite reliability refers to a measure of the internal consistency of indicators (i.e. observed variables) to the construct, describing the extent to which they show the corresponding latent construct (Hair et al., 1998). A commonly used threshold value for an acceptable level of composite reliability is .70. If the composite reliability is above .70, the indicators for the latent construct are reliable and are assessing the same construct. As a complementary measure of the composite reliability, the variance extracted can be considered to explain the overall amount of variance in the indicators accounted for by the corresponding latent construct. A commonly used acceptable cut-off point is .50. If the variance extracted values are high, the indicators are truly representative of the latent construct (Schumacker & Lomax, 2000; Yoon, 2002).

Validity of Measurement Scales

While reliability is associated with how consistent a set of items are, validity is related to whether a specific construct is the underlying cause of item co-variation (Clark, & Watson, 1995). Validity generally denotes the degree to which the measurement items measure what they are supposed to measure (Hair et al., 1998). Construct validity deals with the appropriateness of a scale as a measure of a specific variable. Generally, there are two types of evidence for scale validity: judgmental and empirical evidence (Clark & Watson, 1995). Judgmental validity can be obtained before the measurement scale is administered to the target study population. It is mainly used as a method for examining the appropriateness of the conceptual and operational definition of the measurement scale on the basis of the theoretical background. The face or content validity offers evidence for the judgmental validity. For the empirical evidence, after the measurement scale is administered to the target population, the relationships among the items within the measurement scale are examined as well as relationships to the measurements. The empirical evidence for validity can be obtained by construct validity (Clark & Watson, 1995).

For the verification of the face or content validity, the measurement scales for the constructs were scanned by professors and graduate students in the Rosen College of Hospitality Management at University of Central Florida (UCF). Further, industry professionals from Orlando Orange County Convention Center and also from the Visit Orlando (formerly Orlando Orange County Convention & Visitors Bureau) inspected the suitability and adequacy of the operational terminologies and contents of the measurement scales in targeting meeting planners. Through these procedures, the content validity of the measurement scales was accomplished and further procedures and research for this study were supported.

Construct validity (convergent and discriminant validity) will be reported in the next section along with the results of confirmatory factor analysis (CFA), since CFA can provide empirical evidence of construct validity (Schumacker & Lomax, 2000). Convergent validity was used to assess the degree to which items claiming to assess one construct actually converge. This type of validity evidence can be measured by investigating the t-tests for confirmatory factor analysis loadings, since statistically significant t-tests for all confirmatory factor loadings show effective measurement of the same construct (Hair et al., 1998). Discriminant validity states a measure of the indicators of different constructs that theoretically and empirically should not be related to each other (Reisinger & Mavondo, 2006). Therefore, the indicators that measure a construct should not be correlated to the indicators that measure another construct if the constructs have discriminant validity. This discriminant validity can be judged by observing χ^2 in terms of every possible pair of estimated constructs.

Measurement Models

Each measurement model of the seven constructs can be examined through a process of confirmatory factor analysis (CFA). A confirmatory factor analysis (CFA) is used to test the measurement model identifying the hypothesized relationships between the latent variables (i.e. constructs) and the observed variables (i.e. indicators). This CFA method tests whether or not the collected data are consistent with a highly constrained hypothesized model, or a priori specified model (Hair et al., 1998; Schumacker & Lomax, 2000). Consequently, identification

and grouping of the observed variables in a pre-specified, theory-driven hypothesized model can be assessed by CFA regarding what extent a specific sampled data set confirms what is theoretically believed to be the constructs (Reisinger & Mavondo, 2006).

In this study, each of seven constructs has its own measurement model that were proposed and tested. The seven constructs are: customer orientation, familiarity, reputation, satisfaction, trust, commitment, and behavioral intentions. All of the seven measurement models were established on the basis of conceptual, theoretical, and empirical reviews. Utilizing CFA, each measurement model was confirmed in terms of assessing the underlying constructs. As CFA is implemented on the basis of the premise that the observed variables are not perfect indicators for the underlying constructs, each construct in the measurement model was tested independently and then the overall measurement model was assessed (Reisinger & Mavondo, 2006). Moreover, the model estimation process for each model will be provided along with statistical results. In order to evaluate the proposed model, modification indices such as Absolute Fit Measures (AFM), Incremental Fit Measures (IFM), and Parsimonious Fit Measures (PFM) were employed.

The correlation matrices as input data matrices based on Product Moment Correlation were used in the process of the CFA to analyze the data. Furthermore, as the technique of parameter estimation, maximum likelihood (ML) was employed because the collected sample size was sufficient (N=404), the scales of observed indicators were continuous, the normal distribution of the observed variables were satisfied according to the results of skewness and kurtosis, and the variables in the hypothesized model were assumed to be valid.

Further, the ML estimation method has been widely utilized in studies of structural equation modeling (SEM) because this estimation method has been found to be quite robust even if the normal distribution of the observed variables are violated (Hu & Bentler, 1999). Particularly, when the observed data are normally distributed and the collected sample size is big enough, the ML method is recommended to estimate the parameters because it creates computational simplicity, accuracy, and correctness of statistical results (Schumacker & Lomax, 2000).

Confirmatory Factor Analysis (CFA) for Customer Orientation

Eight indicators were used to measure the customer orientation. In the first place, based on the results of the t-value, standard error, squared multiple correlations, and completely standardized solution, all the indicators were retained because they are high t-values, low standard error, low explained variances, and thus there is no relatively less important variables as indicators of the customer orientation construct.

According to Reisinger and Mavondo (2006), the t-value, which represents the parameter estimate divided by its standard error, should be greater than $\pm$ 1.96 at the .05 alpha level to be an significant indicator for the related construct. The squared multiple correlation coefficient (R^2), ranging from .00 to 1.00, which shows the degree to which the measurement model adequately is represented by the observed indicators should be high. These values can also be used to estimate the indicator reliability that explains the extent to which an item appropriately measures its

associated underlying construct (Clark & Watson, 1995; Reisinger & Mavondo, 2006; Yoon, 2002).

However, the results of the initial estimation of the CFA of the customer orientation construct were not acceptable since there was a Chi-square value of 107.312 with 20 degrees of freedom (p < .001) and a Root Mean Square Error of Approximation (RMSEA) of .104. RMSEA explains the error of approximation in the population; values should be less than .05 for a good fit although around .08 may be acceptable (Hu & Bentler, 1999). Moreover, other fit indices also showed a poor fit and suggested that the estimate parameters should be modified.

Because the modification indices (MI) presented that the model would attain a better fit if highly correlated items were adjusted. In modifying the error-correlated items (error covariances), there are three alternative ways that can improve the model fit; 1) One of the correlated items can be deleted; 2) the estimation of two error-correlated items can be performed by adding the error covariance; and 3) the composite mean score from two error-correlated items can be used to reconstruct the correlation matrices. However, the specification of correlated errors for the purpose of improving the model fit should be made based on the theoretical or empirical justification (Schumacker & Lomax, 2000; Yoon, 2002).

According to the results of the modification indices (MI), the first (and the biggest) correlated error was found between item 4 and 5 (MI = 22.6). By observing the statements in item 4 (The CVB representatives care about me) and item 5 (The CVB representatives consider my needs), the two indicators are conceptually and empirically correlated in that they describe that the CVB representatives show care and consideration (Fenich, 2008; Runzler, 2010). For

this study, therefore, the error covariance between items 4 and 5 was added to estimate the re-specified model in CFA. This procedure may be more beneficial than just deleting the one of the correlated items and calculating composite mean score of two items in that the original items are not discounted so that information associated with these items could be interpreted for practical purposes.

After setting the error covariance in the syntax of the CFA analysis, the re-specified model was estimated. However, the results of the CFA still didn't show a good fit with a Chi-square value of 88.44 with 19 degree of freedom and a RMSEA of .095. In addition, other fit indices also did not produce satisfactory results. Consequently, another error covariance was added based on the modification index suggested by LISREL output. MI suggested that item 5 and item 6 (The CVB understands that I am important to the success of the destination) was also correlated. The latter also is associated with the meeting planners' perception of being esteemed by CVB and it may be regarded as the correlated concept of CVB's special consideration for the planners (Pike, 2004; Runzler, 2010). After adding the second error covariance, the measurement model showed the acceptable model fit based on the fit indices.

The final results of the CFA for customer orientation are shown in Table 15 and the correlation matrix was provided in Table 16. The re-specified model results in a Chi-square (χ^2) of 72.150 with 18 degrees of freedom. Although it is still significant at a level of .05 (p = .00), it may be because the large sample size (n = 404) increase the amount of χ^2 and the χ^2 can be too sample-size sensitive as criticized by Bentler and Bonnet (1980, as cited in Reisinger &

Mavondo, 2006). All other fit indices showed that the data successfully fit the model with GFI = .957, RMSR = .020, AGFI = .914, NNFI = .985, and PNFI = .635.

Furthermore, the completely standardized factor loadings define the relative importance of the observed variables as indicators of the customer orientation construct. Accordingly, because the loadings showed comparatively high loadings (ranging from .80 to .88), it can be concluded that the underlying construct was well defined by the observed variables. Estimating the squared multiple correlations (R^2) are used to observe the amount of which the measurement model is sufficiently represented by the observed indicators (Reisinger & Mavondo, 2006; Yoon, 2002) and the R^2 values in the measurement model ranged between .35 and .78. These coefficient scores also serve as indicator reliabilities (Lee & Back, 2007).

Further, the composite reliability of this measurement construct resulted in .972, which exceeded the recommended threshold level of .70 (Hair et al., 1998). As another measure of reliability, the variance extracted measure was also calculated as presented in the formula in Chapter Three. This measure denotes the overall amount of variance in the indicators explained by the latent construct. The value ought to exceed a threshold recommended level of .50 for the construct (Hair et al., 1998). In this study, the extracted variance for the construct of customer orientation turned out the value of .813, which exceeded a recommended level of .50. Overall, the customer orientation construct retained eight observed indicators with acceptable results of fit indices. Generally, the measurement items that are associated with customer orientation are fairly significant indicators to measure customer orientation in this study.

Table 15
The Results of CFA for Customer Orientation

Construct & Indicators	Completely Standardized Loadings	Construct & Indicator Reliability	Variance Extracted/ Error Variance
Customer Orientation		**0.972**	**0.813**
1. The CVB representatives understand what I want most.	0.812	0.660	0.340
2. The CVB representatives are willing to go beyond their standard procedures to fulfill my wishes.	0.834	0.695	0.305
3. The CVB representatives continuously search for new ways to give prompt service to me.	0.804	0.647	0.353
4. The CVB representatives care about me.	0.838	0.703	0.297
5. The CVB representatives consider my needs.	0.880	0.774	0.226
6. The CVB understands that I am important to the success of the destination.	0.805	0.648	0.352
7. The CVB representatives are able to consider my perspective.	0.875	0.765	0.235
8. The CVB representatives know how to treat a customer well.	0.859	0.737	0.263

Goodness-of-Fit Statistics

<u>Absolute Fit Measures</u>

Chi-square ($\chi2$) of estimate model	72.150 ($df = 18$, $p = .00$)
Goodness-of-fit index (GFI)	0.957
Root mean square residual (RMSR)	0.020
Root mean square error of approximation (RMSEA)	0.086

<u>Incremental Fit Measures</u>

Adjusted goodness-of-fit index (AGFI)	0.914
Non-normed fit index (NNFI)	0.985
Normed fit index (NFI)	0.988

<u>Parsimonious Fit Measures</u>

Parsimony goodness-of-fit index (PGFI)	0.479
Parsimony normed fit index (PNFI)	0.635
Comparative fit index (CFI)	0.991
Incremental fit index (IFI)	0.991

Note: All t-value were significant at the level of .05.

Table 16
The Correlation Matrix for the Finalized Model of Customer Orientation

1.000
.700 1.000
.628 .707 1.000
.671 .697 .672 1.000
.678 .722 .709 .814 1.000
.695 .625 .618 .683 .768 1.000
.731 .704 .694 .714 .801 .740 1.000
.686 .739 .705 .746 .751 .673 .729 1.000

Confirmatory Factor Analysis (CFA) for Familiarity

A total of 4 observed measurement items were employed to assess whether the collected data fit the model of familiarity. The results of the initial estimation of the CFA for the construct did not indicate a well-fitting model, having a Chi-square value of 9.914 with 2 degrees of freedom (p < .007) and an RMSEA of .099. According to the results of the modification indices (MI), the biggest correlated error was found between item 1 and 2 (MI = 9.4). By observing the statements in item 1 (I have worked with the CVB many times in the past) and item 2 (I am a frequent client of the CVB), the two items are conceptually and empirically correlated in that they refer to the meeting planner's the number of experience (i.e. frequency) with the CVB. Therefore, the error covariance between items 1 and 2 was added to estimate the re-specified model in CFA.

With the re-specified model having the correlation between the indicators, CFA was run to estimate the model. The results of the estimation for the final specified model are presented in Table 18. Overall, the model created quite well-fitting results, having a Chi-square value of .617

with 1 degrees of freedom (p = .432) and a RMSEA value of .00. Other fit indices also produced

quite strong values of a satisfactory model (GFI = .999, RMSR = .0048, AGFI = .992, NNFI =

1.00, PNFI = .166, CFI = 1.00).

Further, the completely standardized loadings for the four observed indicators ranged

from .43 to .68, and the squared multiple correlations (R^2) ranged between .18 and .46. The

estimates of the reliability and variance extracted for this construct generated a construct

reliability of .765, and a variance extracted value of .455. These values were evaluated to see

whether the specified indicators were adequate in representing the familiarity construct. While

the construct reliability exceeded the recommended level of .70, the variance extracted measure

was somewhat short of the recommended level of .50. This may due to the value of item 4,

which had both a low squared multiple correlation (.184) and a relatively high error variance

(.816). Thus, more carefulness on this item should be taken to yield a better fitting hypothesized

model in a further analysis that includes CFA for an overall measurement model. However, still

this measurement scale with four indicators is reliable and acceptable to measure the construct of

familiarity.

Table 17
The Correlation Matrix for the Finalized Model of Familiarity

1.000
.843 1.000
.410 .383 1.000
.294 .252 .262 1.000

Table 18
The Results of CFA for Familiarity

Construct & Indicators	Completely Standardized Loadings	Construct & Indicator Reliability	Variance Extracted/ Error Variance
Familiarity		**0.765**	**0.455**
1. I have worked with the CVB many times in the past.	0.676	0.456	0.544
2. I am a frequent client of the CVB.	0.616	0.380	0.620
3. I am familiar with the CVB's services.	0.610	0.372	0.628
4. I was not familiar with the CVB before my recent experience.*	0.429	0.184	0.816

Goodness-of-Fit Statistics

<u>Absolute Fit Measures</u>

Chi-square (χ^2) of estimate model	0.617 (*df* = 1, *p* = .432)
Goodness-of-fit index (GFI)	0.999
Root mean square residual (RMSR)	0.005
Root mean square error of approximation (RMSEA)	0.000

<u>Incremental Fit Measures</u>

Adjusted goodness-of-fit index (AGFI)	0.992
Non-normed fit index (NNFI)	1.000
Normed fit index (NFI)	0.999

<u>Parsimonious Fit Measures</u>

Parsimony goodness-of-fit index (PGFI)	0.099
Parsimony normed fit index (PNFI)	0.166
Comparative fit index (CFI)	1.000
Incremental fit index (IFI)	1.000

Note: All t-value were significant at the level of .05. *Item 4 (FAM 4) was reversely coded.

Confirmatory Factor Analysis (CFA) for Reputation

A total of 4 observed measurement items were utilized to evaluate whether the collected data fit the model of reputation. The results of the initial estimation of the CFA for the construct

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showed an acceptable model, having a Chi-square value of 7.923 with 2 degrees of freedom (p <

.019) and an RMSEA of .086. Because the LISREL output did not show any modification

indices (MI), the initial model was concluded as final specified model.   The results of the

estimation for the measurement model are presented in Table 20. Overall, the model produced

acceptable results based on other fit indices (GFI = .990, RMSR = .0025, AGFI = .951, NNFI =

.973, PNFI = .329, CFI = .991).

Further, the completely standardized loadings for the four observed indicators ranged

from .43 to .68, and the squared multiple correlations (R^2) ranged between .18 and .46. The

estimates of the reliability and variance extracted for this construct generated a construct

reliability of .765, and a variance extracted value of .455. These values were evaluated to see

whether the specified indicators were adequate in representing the familiarity construct. While

the construct reliability exceeded the recommended level of .70, the variance extracted measure

was somewhat short of the recommended level of .50. This may due to the value of item 4,

which had both a low squared multiple correlation (.184) and a relatively high error variance

(.816). Thus, more carefulness on this item should be taken to yield a better fitting hypothesized

model in a further analysis that includes CFA for an overall measurement model. However, still

this measurement scale with four indicators is reliable and acceptable to measure the construct of

familiarity.

Table 19
The Correlation Matrix for the Finalized Model of Reputation

1.000

.784 1.000

.602 .608 1.000

.384 .330 .355 1.000

Table 20
The Results of CFA for Reputation

Construct & Indicators	Completely Standardized Loadings	Construct & Indicator Reliability	Variance Extracted/ Error Variance
Reputation		**0.880**	**0.663**
1. The CVB has a reputation for good services.	0.892	0.796	0.204
2. The CVB has a reputation for being concerned about their clients.	0.876	0.767	0.233
3. Most planners would like to work with the CVB.	0.688	0.474	0.526
4. The CVB has a bad reputation in the industry.*	0.418	0.175	0.825

Goodness-of-Fit Statistics

<u>Absolute Fit Measures</u>

Chi-square ($\chi2$) of estimate model	7.923 ($df = 2$, $p = .019$)
Goodness-of-fit index (GFI)	0.990
Root mean square residual (RMSR)	0.025
Root mean square error of approximation (RMSEA)	0.086

<u>Incremental Fit Measures</u>

Adjusted goodness-of-fit index (AGFI)	0.951
Non-normed fit index (NNFI)	0.973
Normed fit index (NFI)	0.988

<u>Parsimonious Fit Measures</u>

Parsimony goodness-of-fit index (PGFI)	0.198
Parsimony normed fit index (PNFI)	0.329

Comparative fit index (CFI)	0.991
Incremental fit index (IFI)	0.991

Note: All t-value were significant at the level of .05. *Item 4 (REP 4) was reversely coded.

Confirmatory Factor Analysis (CFA) for Satisfaction

A total of 5 observed measurement items were used to assess whether the collected data fit the model of satisfaction. The results of the initial estimation of the CFA for the construct did not indicate a well-fitting model, having a Chi-square value of 27.59 with 5 degrees of freedom ($p < .000$) and an RMSEA of .106. According to the results of the modification indices (MI), the biggest correlated error was found between item 3 and 4 (MI = 24.0). By observing the statements in item 3 (Compared to other CVBs, I am very satisfied with this CVB) and item 4 (Based on my experience with this CVB, I am very satisfied), the two items are conceptually and empirically correlated in that they imply the meeting planner's the level of satisfaction with the CVB while the former (SAT 3) looks relative one and the latter (SAT 4) is subjective and direct one. Therefore, the error covariance between items 3 and 4 was added to estimate the re-specified model in CFA.

With the re-specified model having the correlation between the indicators, CFA was run to estimate the model. The results of the estimation for the final specified model are presented in Table 21. Generally, the model produced strongly fitting results, having a Chi-square value of 4.039 with 4 degrees of freedom ($p = .401$) and a RMSEA value of .005. Other fit indices also created quite well-fitting model (GFI = .996, RMSR = .0013, AGFI = .985, NNFI = 1.00, PNFI

= .399, and CFI = 1.00). Further, the completely standardized loadings for the four observed

indicators ranged from .46 to .91, and the squared multiple correlations (R^2) ranged between .21

and .83. The estimates of the reliability and variance extracted for this construct produced a

construct reliability of .923, and a variance extracted value of .716. These values were assessed

to see whether the specified indicators were sufficient in representing the satisfaction construct.

Both the construct reliability and the variance extracted measure exceeded the recommended

level although item 2 had both a low squared multiple correlation (.208) and a relatively high

error variance (.792). While more caution on this item should be taken to produce a better fitting

hypothesized model in a further analysis that includes CFA for an overall measurement model,

the measurement scale with five indicators looks quite reliable and adequate to measure the

construct of satisfaction.

Table 21
The Results of CFA for Satisfaction

Construct & Indicators	Completely Standardized Loadings	Construct & Indicator Reliability	Variance Extracted/ Error Variance
Satisfaction		0.923	0.716
1. I was satisfied with the services of the CVB.	0.910	0.829	0.171
2. My experiences with the CVB were not pleasant.*	0.456	0.208	0.792
3. Compared to other CVBs, I am very satisfied with this CVB.	0.773	0.598	0.402
4. Based on my experience with this CVB, I am very satisfied.	0.901	0.812	0.188
5. My experiences with the CVB have always been pleasant.	0.760	0.577	0.423

Goodness-of-Fit Statistics

Absolute Fit Measures

Chi-square (χ2) of estimate model	4.039 (*df* = 4, *p* = .401)
Goodness-of-fit index (GFI)	0.996

Root mean square residual (RMSR)	0.013
Root mean square error of approximation (RMSEA)	0.005
Incremental Fit Measures	
Adjusted goodness-of-fit index (AGFI)	0.985
Non-normed fit index (NNFI)	1.000
Normed fit index (NFI)	0.997
Parsimonious Fit Measures	
Parsimony goodness-of-fit index (PGFI)	0.266
Parsimony normed fit index (PNFI)	0.399
Comparative fit index (CFI)	1.000
Incremental fit index (IFI)	1.000

Note: All t-value were significant at the level of .05. *Item 2 (SAT 2) was reversely coded.

Table 22
The Correlation Matrix for the Finalized Model of Satisfaction

1.000

.431 1.000

.699 .343 1.000

.819 .410 .816 1.000

.691 .303 .605 .688 1.000

Confirmatory Factor Analysis (CFA) for Trust

A total of 5 observed measurement items were used to assess whether the collected data fit the model of trust. The results of the initial estimation of the CFA for the construct showed an insufficient fitting model, having a Chi-square value of 126.70 with 5 degrees of freedom ($p <$ .000) and an RMSEA of .246. Moreover, other fit indices also showed a poor fit and suggested

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that the estimate parameters should be modified. The probability value related to the Chi-square

represents the likelihood of obtaining a Chi-square value that exceeds the Chi-square value when

a null hypothesis is true. Accordingly, it can be explained that the proposed hypothesized model

 of trust represents an unlikely condition with the current specified model and should be rejected

and re-specified in terms of estimating the parameters. Other indices also provide evidence of an

unacceptable model with GFI = .888, RMSR = .089, AGFI = .665, NNFI = .656, PNFI = .412,

and CFI = .828 considering the recommended values of the indices: GFI > .90, RMSR < .08,

AGFI > .90, NNFI > .90, PNFI = >.60, and CFI >.90 (Hair et al, 1998; Suh & Han, 2002).

Based on the results of the modification indices (MI), the correlated error between item 2

and 3 (MI = 101.1) was found and it was quite big one that decrease the Chi-square value

drastically. By examining the statements in item 2 (There are times when I find the CVB to be

insincere) and item 3 (I find it necessary to be cautious in dealing with the CVB), both of the two

items have commonality with reverse coded indicators and conceptual correlation in that the

meeting planners have to be careful for having credibility with the CVB. Therefore, the error

covariance between items 2 and 3 was added to assess the re-specified model in CFA.

In the second estimation of the re-specified model, the Chi-square value of 30.74 with 4

degrees of freedom decreased ($p < .000$) and an RMSEA of .129, but the results still did not yield

a well-fitting model. Other fit indices were also improved, but did not support that the re-

specified model was acceptable as a well-fitting final model.

However, since all of the completely standardized loadings ranged from .47 to .84, and

also squared multiple correlations were between .21 and .70, the error covariance matrices in the

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modification index were observed. Among the five items, the highest MI value in terms of

misspecified parameters was found between items 1 and 3 (MI = 29.8), and also revealed the

completely standardized expected change value of .185. The modification value showed clear

evidence of misspecification for parameters, and needed to be adjusted. By observing the

statements in item 1 (The CVB can be relied upon to keep their promises) and item 3 (I find it

necessary to be cautious in dealing with the CVB), the two items may have conceptual

correlation in that the former (TRU1) mentioned whether the CVB is reliable and the latter is

related to whether doubt is necessary to work with the CVB (Crosby et al, 1990). Therefore, the

error covariance between items 1 and 3 was added to evaluate the re-specified model in CFA.

Results of CFA for trust are presented in Table 24.

Table 23
The Correlation Matrix for the Finalized Model of Trust

1.000
.272 1.000
.427 .611 1.000
.486 .402 .358 1.000
.401 .298 .290 .596 1.000

Table 24
The Results of CFA for Trust

Construct & Indicators	Completely Standardized Loadings	Construct & Indicator Reliability	Variance Extracted/ Error Variance
Trust		**0.818**	**0.491**
1. The CVB can be relied upon to keep their promises.	0.569	0.324	0.676
2. There are times when I find the CVB to be insincere.*	0.460	0.212	0.788
3. I find it necessary to be cautious in dealing with the CVB.*	0.418	0.175	0.822
4. The CVB is trustworthy.	0.863	0.744	0.256
5. I trust the CVB to do things I cannot do for myself in the destination.	0.690	0.475	0.525

Goodness-of-Fit Statistics

Absolute Fit Measures

Chi-square ($\chi 2$) of estimate model	0.808 (*df* = 3, *p* = .848)
Goodness-of-fit index (GFI)	0.999
Root mean square residual (RMSR)	0.007
Root mean square error of approximation (RMSEA)	0.000

Incremental Fit Measures

Adjusted goodness-of-fit index (AGFI)	0.996
Non-normed fit index (NNFI)	1.000
Normed fit index (NFI)	0.999

Parsimonious Fit Measures

Parsimony goodness-of-fit index (PGFI)	0.200
Parsimony normed fit index (PNFI)	0.300
Comparative fit index (CFI)	1.000
Incremental fit index (IFI)	1.000

Note: All t-value were significant at the level of .05. *Items 2 and 3 (TRU2 and TRU3) were reversely coded.

With a total of five indicators for trust, CFA was run to estimate whether the re-specified

hypothesized model fit the collected data. As presented in Table 24, the Chi-square value of .81

with 3 degrees of freedom (*p* = .848) and an RMSEA of .000 represented a better fit compared to

the previous model, and specified a well-fitting model. Other goodness-of-fit indices also supported that the hypothesized model fits the collected sample data quite well (GFI = .999, RMSR = .007, AGFI = .996, NNFI = 1.00, and PNFI = .30). All of the t-values associated with each of the loadings exceeded the critical values for the significant level of 0.05 (1.96). Accordingly, it can be said that all indicators were significantly associated with the construct of trust. The hypothesized relationships among the indicators and construct were confirmed.

Furthermore, the highest squared multiple correlation which evaluated the degree to which the measurement model was satisfactorily represented by the observed variables was .744 (Item 4, "The CVB is trustworthy") and the lowest squared multiple correlation was .175 (Item 3, "I find it necessary to be cautious in dealing with the CVB"). Accordingly, it can be interpreted that, approximately 74.4% of the variance of Item 4 was explained by the trust construct.

Additionally, item indicated the highest completely standardized loading of .863, meaning that the item was the comparatively highest indicator in measuring trust. However, much attention should be given to Items 2 and 3 having the two lowest loadings (.212 and .175 respectively), and the two highest standard errors (.788 and .822 respectively), even though these items exceeded the critical t-value at the significant level of .01, because the items could contribute to a poor fit in the overall measurement model.

Having a construct reliability of .818, which exceeded a recommended level of .70, the specified five indicators for this construct were fairly adequate to represent the trust to the CVB. However, for the variance extracted measure, this construct had a value of .491, falling slightly

short of the recommended level of .50. This may mean that more than half of the estimated variance for the specified indicators for the construct was not enough (Hair et al., 1998). The insufficient extracted variance may be due to the relatively low correlations with the construct and the high error covariance. In further analysis, much attention should be given to each of the observed indicators of this construct because the high standard errors can create large error variances of the estimated parameters.

However, the overall model goodness-of-fit indices and the estimated parameters and variances significantly supported hypothesized model with five observed indicators fitting the model well to the data.

Confirmatory Factor Analysis (CFA) for Commitment

From the reliability test with four observed items, Item 3 (COM3: I would look for another CVB as a business partner even if it costs time or money.) was deleted because it did not contribute to the high reliability of the scale for the commitment construct (Cronbach's α = .721 without this item, and Cronbach's α = .375 with this item) and other three items were remained.

The results of CFA are presented in Table 26. Since the hypothesized model retained only three indicators, the model was saturated and the fit was perfect (Chi-square = .00, p =1.00). In terms of other coefficient scores, t-values were significant at a level of .05; the values of the completely standardized loadings were between .42 and .88. The squared multiple correlations ranged from .08 and .95. In terms of the construct reliability, the value of .83 exceeded the

recommended level of .70, so that these three specified indicators representing the construct were

sufficient. Further, an extracted variance value of .64, which is fairly over the recommended

level of .50, explained that more than half of the estimated variance for the specified indicators

for the construct was enough to be accounted for by the construct. However, some of the items

which have low reliability and high error variance were examined in further analysis, such as

CFA for the overall measurement scale.

Table 25
The Correlation Matrix for the Finalized Model of Commitment

1.000
.370 1.000 .338
.702 .338 1.000

Table 26
The Results of CFA for Commitment

Construct & Indicators	Completely Standardized Loadings	Construct & Indicator Reliability	Variance Extracted/ Error Variance
Commitment		0.831	0.638
1. I am committed to working with the CVB.	0.422	0.089	1.822
2. I am willing to sacrifice short-term incentives from other CVBs to get long-term benefits from this CVB.	0.877	0.384	1.232
4. I am dedicated to continuing my relationship with the CVB.	0.801	0.949	0.035
Goodness-of-Fit Statistics			
Chi-square (χ2) of estimate model	0.0 (*df* = 0, *p* = 1.00)		
The model is saturated and the fit is perfect.			

Note: All t-value were significant at the level of .05. *Items 3 (COM3) were reversely coded but deleted.

Confirmatory Factor Analysis (CFA) for Behavioral Intention

The measurement scale for behavioral intention is comprised of seven observed indicators. The results of the initial estimation of the proposed model were not acceptable for a well-fitting model. The Chi-square value of 303.61 with 14 degrees of freedom was statistically significant (p < .001), advising that the hypothesized model was completely inadequate. The p-value related to the Chi-square represents the possibility of obtaining a Chi-square value that exceeds the Chi-square value when a null hypothesis is true. Consequently, it can be explained that the proposed hypothesized model of behavioral intention represents a doubtful condition with the present specified model and should be rejected and re-specified in terms of estimating the parameters (Hair et al., 1998; Schumacker & Lomax, 2000). Other indices also provide evidence of an unacceptable model (GFI = .823, RMSR = .148, AGFI = .646, NNFI = .735, and PNFI = .545) let alone RMSEA (.227). Consequently, three items (5, 6, and 7) were eliminated, based on their low squared multiple correlations (< .30), high error variances (> .70), and low completely standardized loadings (< .50). However, Item 4 (I will use destination-meeting services provided by the CVB.) was not dropped despite the low squared multiple correlation (.26) and high error variance (.74) because the item has significant importance as the indicator for the future intention of the meeting planner based on the meeting planners' comments through the interviews during the survey administration, and the marginal but acceptable level of completely standardized loading (.509 > .50) as well. Then the CFA was run with the re-specified model with four indicators.

In the second estimation of the re-specified model, the Chi-square value of 9.91 with 2 degrees of freedom decreased (p < .00704), but the results still did not produce an acceptable model. Other fit indices were also improved, but did not support that the re-specified model was acceptable as a well-fitting final model. However, since all of the completely standardized loadings ranged from .50 to .96, and also squared multiple correlations were between .25 and .92, the error covariance matrices in the modification index were examined. Among the four items, the highest MI value in terms of misspecified parameters was found between Items 1 and 2 (MI = 8.3), and also revealed the completely standardized expected change value of .11.

The final results of CFA for behavioral intention are presented in Table 28. With a total of four indicators for behavioral intention, CFA was run to estimate whether the re-specified hypothesized model fit the collected data. As presented in Table 28, the Chi-square value of 1.73 with 1 degree of freedom represented a better fit compared to the previous model, and indicated an acceptable model. Other goodness-of-fit indices also showed that the hypothesized model fits the collected sample data quite well (GFI = .998, RMSR = .006, AGFI = .979, NNFI = .996, and PNFI = .166). All of the t-values associated with each of the loadings exceeded the critical values for the significant level of 0.05 (1.96). Therefore, all variables were significantly related to the construct of behavioral intention. The hypothesized relationships among the indicators and constructs were substantiated.

Furthermore, the highest squared multiple correlation which measured the extent to which the measurement model was adequately represented by the observed items was .95 (Item 3, "I will encourage colleagues to do business with the CVB"). As a result, it can be interpreted

that approximately 89% of the variance of Item 3 was explained by the behavioral intention construct. Moreover, the item indicated the highest completely standardized loading of .97, meaning that the item was the highest indicator in measuring behavioral intention. However, much attention should be given to Item 4 having the lowest loading (.52), and the highest error variance (.73), even though this item exceeded the critical t-value at the significant level of .05, because this item could contribute to a poor fit in the overall measurement model.

The reliability and variance extracted measures of this construct were estimated to evaluate whether those four specified observed indicators were sufficient to represent behavioral intention. The results revealed that the construct reliability value was .89 and the variance extracted value was .68, which exceeded the recommended levels of .70 and .50, respectively. Overall, the goodness-of-fit indices and other estimated parameters and variances substantially support that the hypothesized model with four observed indicators fit the data fairly well.

Table 27
The Correlation Matrix for the Finalized Model of Behavioral Intention

1.000
.891 1.000
.845 .883 1.000
.469 .463 .505 1.000

Table 28
The Results of CFA for Behavioral Intention

Construct & Indicators	Completely Standardized Loadings	Construct & Indicator Reliability	Variance Extracted/ Error Variance
Behavioral Intention		**0.936**	**0.792**
1. I will say positive things about the CVB to other people.	0.869	0.756	0.244
2. I will recommend the CVB to someone who seeks my advice.	0.907	0.823	0.177
3. I will encourage colleagues to do business with the CVB.	0.973	0.946	0.054
4. I will use destination-meeting services provided by the CVB.	0.519	0.270	0.730

Goodness-of-Fit Statistics

<u>*Absolute Fit Measures*</u>

Chi-square ($\chi 2$) of estimate model	1.729 (*df* = 1, *p* = .188)
Goodness-of-fit index (GFI)	0.998
Root mean square residual (RMSR)	0.006
Root mean square error of approximation (RMSEA)	0.042

<u>*Incremental Fit Measures*</u>

Adjusted goodness-of-fit index (AGFI)	0.979
Non-normed fit index (NNFI)	0.996
Normed fit index (NFI)	0.999

<u>*Parsimonious Fit Measures*</u>

Parsimony goodness-of-fit index (PGFI)	0.099
Parsimony normed fit index (PNFI)	0.166
Comparative fit index (CFI)	0.999
Incremental fit index (IFI)	0.999

Note: All t-value were significant at the level of .05.

Testing the Hypothesized Model

This study started to develop a conceptual and theoretical model with relationships

between the latent constructs and their manifest variables. In the early sections of the literature

review and the methodology, the relevant theories and the discussion of the constructs were delivered. After the theoretical constructs by the use of their empirical observed indicators were operationalized, the hypothesized structural model of how the constructs are correlated with each other was defined by the proposed hypotheses.

Consequently, it was specified that the proposed hypotheses could be verified by structural equation modeling (SEM). In SEM, the development of the proposed model illustrating the relationships between the latent constructs and their empirical measured variables is regarded as a measurement model, while the organization of the hypothetical relationships between or among the constructs is considered a structural model (Bollen, 1989; Jöreskog, 1993; Yoon, 2002). The measurement model can specify the configurations of how the observed variables load on the constructs, and also supply arguments for how much the measured items are reliable and valid (i.e. reliability and validity). A structural model can specify which of the hypothesized constructs directly or indirectly have an impact on the values of other constructs in the model (Schumacker & Lomax, 2000).

Once the full structural model is derived with the necessary information and requirements throughout the procedure of structural equation modeling, the exogenous and endogenous constructs are defined. While changes in the values of the exogenous constructs are not explained by the model, changes in the values of the endogenous constructs are affected by the exogenous constructs in the model. As a result, all of the constructs are classified into one of these two categories. In the proposed structural model of the study, seven theoretical constructs were discussed. Those include customer orientation, familiarity, reputation, satisfaction, trust,

commitment, and behavioral intention. Their hypothesized relationships with the observed

variables and the structural relationships among the constructs can be explained in the structural

model.

Overall Measurement Model

Before estimating the overall measurement model, each measurement model was

individually tested to examine whether the collected data fit the specified measurement items of

the construct well. After scrutinizing the goodness-of-fit indices, modification indices, and

estimated coefficient scores such as t-values and multiple correlations, the measurement models

for each construct were modified and re-specified. Based on the statistical and theoretical

soundness of the constructs, the measurement model for each construct with the observed

indicators was finalized. In consequence, the each final model fitting the best to the data shows

parsimonious and fundamentally significant relationships between the indicators and constructs.

As a result, 33 observed variables related to seven constructs were determined from CFA, as

presented in Table 22. This overall measurement model is composed of seven constructs as

follows: customer orientation (CO), familiarity (FAM), reputation (REP), satisfaction (SAT),

trust (TRU), commitment (COM), and behavioral intention (BI). Granted these seven constructs,

eight measurement items loaded onto CO, four measurement items loaded onto FAM, four

measurement items loaded onto REP, five measurement items loaded onto SAT, five

measurement items loaded onto TRU, three measurement items loaded onto COM, and four observed indicators loaded onto BI.

This study applied the cross-validation method using two split samples to estimating the overall measurement model instead of using a whole sample (N = 404) for CFA. The rationale of this application is to deal with the inquiry of whether the hypothesized model in one sample reproduces a second independent sample from the same population in order that the cross-validation of estimated parameters and relationships with the constructs may be evaluated. The cross-validation method should be employed in the following situations: a) in case that the model did not show an acceptable fit after modification indices have been used; b) if the model demonstrates a good fit in the initial analysis; c) for the purpose of comparing competing models; d) in order to compare the difference between samples from diverse groups; and e) if moderating variables have influence on the model (Diamantopoulos, 1994, as cited in Reisinger & Mavondo, 2006). Given a specified sample size across the two sets of samples, furthermore, it can be verified to confirm whether the estimated parameters and relationships with the constructs are meaningful and equivalent.

In conformity to the purpose of the studies, various approaches of cross-validation studies have been attempted (Anderson & Gerbing, 1998; Schumacker & Lomax, 2000). One of the most commonly used methods to validate results is the split sample approach in case that the sample size is big enough. In consideration of the number of variables in this study, the sample size is relatively sufficient (N = 404) to split into two sub-samples to meet the basic requirement as recommended by Reisinger and Mavondo (2006) and thus this study used the split sample

method for validating the results. Accordingly, this study tested the model replication of the overall measurement model with 7 constructs and 33 observed indicators across the first subsample (n = 191), and the second subsample (n = 213). The first subsample is supposed to be called the calibration sample, and the second subsample can be utilized as a validation sample (Shumacker & Lomax, 2000; Yoon, 2002). These two split samples were randomly selected from the entire collected sample. For that reason, the overall measurement model was tested to examine if the results from the validation sample replicated those from the calibration sample regarding the estimated parameters and relationships with the constructs. The final acceptable model in the calibration sample was tested to see if the model fits the validation sample well without any critical modifications of parameter estimation.

Table 29

Seven Constructs and 33 Observed Indicators for the Overall Measurement Model

Construct & Indicators

Customer Orientation

1. The CVB representatives understand what I want most.

2. The CVB representatives are willing to go beyond their standard procedures to fulfill my wishes.

3. The CVB representatives continuously search for new ways to give prompt service to me.

4. The CVB representatives care about me.

5. The CVB representatives consider my needs.

6. The CVB understands that I am important to the success of the destination.

7. The CVB representatives are able to consider my perspective.

8. The CVB representatives know how to treat a customer well.

Familiarity

1. I have worked with the CVB many times in the past.

2. I am a frequent client of the CVB.

3. I am familiar with the CVB's services.

4. I was not familiar with the CVB before my recent experience.*

Reputation

1. The CVB has a reputation for good services.

2. The CVB has a reputation for being concerned about their clients.

3. Most planners would like to work with the CVB.

4. The CVB has a bad reputation in the industry.*

Satisfaction

1. I was satisfied with the services of the CVB.

2. My experiences with the CVB were not pleasant.*

3. Compared to other CVBs, I am very satisfied with this CVB.

4. Based on my experience with this CVB, I am very satisfied.

5. My experiences with the CVB have always been pleasant.

Trust

1. The CVB can be relied upon to keep their promises.

2. There are times when I find the CVB to be insincere.*

3. I find it necessary to be cautious in dealing with the CVB.*

4. The CVB is trustworthy.

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5. I trust the CVB to do things I cannot do for myself

   in the destination.

Commitment

1. I am committed to working with the CVB.

2. I am willing to sacrifice short-term incentives from other

   CVBs to get long-term benefits from this CVB.

4. I am dedicated to continuing my relationship with the CVB.

Behavioral Intention

1. I will say positive things about the CVB to other people.

2. I will recommend the CVB to someone who seeks my advice.

3. I will encourage colleagues to do business with the CVB.

4. I will use destination-meeting services provided by the CVB.

Note: All t-value were significant at the level of .05. *FAM4, REP4, SAT2, TRU2, and TRU3 were reversely coded.

CFA of Calibration Sample for Overall Measurement Model

The overall measurement model with 7 constructs and 33 measurement items was tested by confirmatory factor analysis (CFA) with the calibration sample (n = 191, 47.2% of the collected sample). An initial estimation of the measurement model showed a Chi-square value of 1395.13 with 474 degrees of freedom (p < .01) and turned out unacceptable levels of model fit. Goodness-of-fit indices also showed that the initial hypothesized model did not fit the data well with GFI (.69), AGFI (.64), and RMSEA (.10). Therefore, the initial hypothesized model was not interpreted as reliable and valid to the collected data. Consequently, the overall measurement model was re-specified based on the modification indices to obtain more valid and reliable results.

When modification indices (MI) were checked, the biggest correlated error variance between SAT 2 and REP 4 (MI = 61.8) was found to decrease the Chi-square value. By examining the statements in SAT 2 (My experiences with the CVB were not pleasant) and REP 4 (The CVB has a bad reputation in the industry), both of the two items have commonality with reverse coded indicators and conceptual correlation in that a CVB, which has an unpleasant experience with meeting planners, may have a bad reputation and vice versa. Therefore, the error covariance between SAT 2 and REP 4 was added to assess the re-specified model in CFA. After the model was re-specified, the second estimation was showed as follows: the Chi-square value of 1429.113 with 473 degrees of freedom decreased (p < .000) and an RMSEA of .0938, but the results still did not yield an acceptable model. While other fit indices were also improved, the re-specified model was still not acceptable. Thus, the error covariance matrices in the modification index were observed again. The next highest MI value in terms of misspecified parameters was found between TRU3 and TRU2 (MI = 59.4) as it was adjusted in the individual measurement model in the 'Trust' construct. After the error covariance between the items was added to evaluate the re-specified overall model (calibration sample) in CFA.

When an overall measurement model fit is assessed to decide whether the model is acceptable, it is necessary to evaluate the appropriateness of parameter estimates, the individual measurement models, and the measurement model as a whole. Specifically, in an estimation of the fit of individual parameters, the viability of the parameters estimates, the appropriateness of the standard errors, and the statistical significance of the parameter estimates should be examined (Yoon, 2002).

To begin with, as the feasibility of individual estimated values should be decided initially

in evaluating the fit of individual parameters in a model, estimated parameters were scrutinized

regarding both the correct sign and size and their consistency with the underlying model.

Consequently, unreasonable estimates having correlation values of bigger than 1.0 and negative

variances were not found in the results of CFA for the re-specified model. When observing the

estimates, standard errors, and t-values for each observed indicator, all of the estimated

parameters of the t-values exceeded a recommended level of t-value for $\pm$ 1.96 at a significant

level of 0.05. The investigation of unstandardized solutions and the standard error showed that

all of the estimated parameters were practically and statistically significant. Therefore, all of the

estimated parameters can be assumed as important to the hypothesized model.

Secondly, the squared multiple correlations (R^2) were scrutinized to know whether the

hypothesized measurement model properly represented the observed indicators (Yoon, 2002).

These correlations were also calculated to decide the indicator and construct reliability. As

presented in Table 31, the squared multiple correlations (R^2 - i.e. indicator reliability) ranged

from .12 to 90. Furthermore, the composite reliability of this measurement construct (i.e.

construct reliability) resulted in customer orientation (.98), familiarity (.83), reputation (.86),

satisfaction (.93), trust (.76), commitment (.84), and behavioral intention (.94). Consequently, all

constructs showed sufficient composite reliability at the recommended threshold level of .70

(Hair et al., 1998, p. 612). Additionally, the completely standardized factor loadings were

assessed and lead to a range between .33 and .95. Such completely standardized loadings were

employed to compare the degree that the observed variables contributed as indicators of the

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constructs. Last but not least, the extracted variances that represent the overall extent of variance

in the indicators accounted for by the underlying constructs and values were calculated as

follows: customer orientation (.83), familiarity (.58), reputation (.64), satisfaction (.74), trust

(.41), commitment (.65), and behavioral intention (.81), which go above a recommended level of

.50 except for the Trust (Hair et al, 1998). The low score of the variance that is extracted from

the observed indicators of Trust may stem from the little relative importance of TRU 2 and TRU

3, which were reversely coded. Despite their insignificant contribution to the construct, this

study decided that they remain as individual indicators rather than eliminating them or

composing their means as one indicator because they have been used as empirically proven

measurement items for trust construct in many previous studies and they look similar but are

different from each other in practical situation.

Table 30
The Correlation Matrix for the Overall Measurement Model (Calibration)

1.000
.755 1.000
.611 .735 1.000
.695 .720 .697 1.000
.715 .724 .729 .812 1.000
.747 .655 .605 .740 .799 1.000
.784 .739 .720 .728 .789 .776 1.000
.687 .755 .744 .787 .790 .714 .780 1.000
.416 .383 .274 .331 .335 .375 .338 .288 1.000
.397 .328 .230 .257 .303 .312 .285 .230 .763 1.000
.496 .418 .369 .330 .441 .372 .462 .350 .470 .413 1.000
.072 .035 -.050 -.030 .000 .081 .087 .011 .322 .303 .264 1.000
.644 .626 .550 .579 .614 .560 .612 .590 .451 .439 .508 .093 1.000
.554 .590 .639 .562 .697 .530 .592 .640 .388 .405 .530 .064 .759 1.000
.569 .580 .494 .497 .584 .499 .550 .593 .317 .344 .408 -.020 .591 .637 1.000
.251 .215 .097 .224 .210 .177 .147 .247 -.042 .005 .119 .332 .281 .257 .263 1.000

.678 .699 .660 .707 .713 .631 .693 .752 .284 .267 .381 -.004 .695 .625 .511 .267 1.000

.315 .325 .215 .336 .285 .292 .291 .370 .065 .094 .085 .231 .319 .247 .241 .606 .422 1.000

.665 .738 .730 .709 .689 .612 .694 .708 .382 .315 .413 .021 .710 .621 .573 .177 .763 .319 1.000

.705 .724 .648 .650 .736 .656 .691 .712 .385 .352 .498 .049 .730 .686 .581 .234 .821 .367 .862 1.000

.615 .586 .612 .599 .568 .545 .620 .602 .258 .141 .362 -.017 .663 .575 .462 .249 .688 .275 .619 .662 1.000

.453 .520 .445 .383 .497 .303 .466 .481 .230 .158 .417 -.037 .363 .475 .446 .112 .458 .126 .421 .444 .518 1.000

.286 .279 .264 .279 .265 .263 .363 .338 .012 .015 .098 .211 .304 .240 .239 .518 .371 .677 .270 .308 .364 .161 1.000

.284 .285 .232 .328 .293 .307 .336 .330 .056 .055 .106 .091 .216 .168 .246 .367 .342 .571 .227 .225 .251 .374 .615 1.000

.545 .554 .457 .460 .533 .450 .573 .532 .288 .203 .303 -.039 .572 .491 .446 .299 .647 .244 .585 .613 .537 .344 .322 .181 1.000

.500 .556 .537 .533 .571 .505 .549 .603 .283 .315 .369 -.036 .583 .565 .565 .229 .607 .325 .594 .565 .476 .401 .197 .217 .548 1.000

.505 .466 .493 .513 .539 .546 .557 .543 .294 .446 .233 .093 .414 .397 .470 .114 .484 .212 .478 .477 .352 .218 .181 .220 .384 .554 1.000

.271 .228 .213 .186 .181 .182 .239 .216 .077 .220 .183 -.081 .204 .130 .333 -.002 .175 -.082 .242 .164 .179 .098 -.026 -.034 .114 .387 .440 1.000

.572 .603 .476 .552 .623 .597 .612 .558 .436 .494 .319 .075 .544 .514 .457 .143 .566 .269 .555 .591 .426 .284 .210 .189 .511 .470 .726 .333 1.000

.750 .657 .557 .667 .663 .625 .637 .664 .326 .352 .434 -.017 .657 .542 .554 .267 .744 .304 .638 .705 .578 .393 .346 .340 .571 .571 .550 .228 .601 1.000

.703 .618 .538 .593 .660 .619 .636 .635 .289 .344 .461 -.008 .641 .556 .565 .236 .782 .367 .690 .730 .534 .404 .292 .302 .572 .604 .519 .281 .610 .843 1.000

.716 .645 .515 .635 .632 .609 .654 .627 .315 .334 .451 .039 .628 .536 .581 .275 .755 .359 .662 .712 .583 .397 .347 .300 .577 .564 .545 .296 .654 .837 .905 1.000

.425 .424 .300 .419 .477 .444 .442 .445 .315 .297 .199 -.121 .436 .371 .408 -.014 .430 .108 .379 .416 .298 .229 .063 .096 .397 .405 .431 .211 .547 .463 .439 .518 1.000

Table 31
Results of CFA for Overall Measurement Model (Calibration Sample = 191)

Constructs	Indicators	Completely Standardized Loadings	Indicator Reliability	Error Variance	Construct Reliability	Variance Extracted
Customer Orientation	CO1	0.834	0.695	0.305		
	CO2	0.848	0.719	0.281		
	CO3	0.806	0.650	0.350		
	CO4	0.862	0.742	0.258	0.976	0.837
	CO5	0.899	0.807	0.193		
	CO6	0.837	0.700	0.300		
	CO7	0.886	0.785	0.215		
	CO8	0.882	0.778	0.222		
Familiarity	FAM1	0.852	0.726	0.274		
	FAM2	0.888	0.788	0.212	0.832	0.581
	FAM3	0.528	0.278	0.722		
	FAM4	0.350	0.123	0.877		
Reputation	REP1	0.884	0.781	0.219		
	REP2	0.851	0.724	0.276	0.863	0.635
	REP3	0.719	0.516	0.484		
	REP4	0.325	0.105	0.903		
Satisfaction	SAT1	0.899	0.809	0.191		
	SAT2	0.418	0.174	0.831		
	SAT3	0.885	0.216	0.784	0.929	0.736
	SAT4	0.922	0.850	0.150		
	SAT5	0.742	0.550	0.450		
Trust	TRU1	0.534	0.285	0.715		
	TRU2	0.383	0.147	0.853		
	TRU3	0.340	0.116	0.884	0.761	0.410
	TRU4	0.715	0.511	0.489		
	TRU5	0.731	0.534	0.466		
Commitment	COM1	0.817	0.668	0.332		
	COM2	0.414	0.171	0.829	0.837	0.651
	COM4	0.893	0.798	0.202		

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	BI1	0.890	0.793	0.207		
	BI2	0.946	0.896	0.104		
Behavioral Intention	BI3	0.950	0.902	0.098	**0.940**	**0.805**
	BI4	0.520	0.271	0.729		

After having assessed the parameters of the measurement model, the hypothesized model as a whole was tested by using three types of fit indices such as absolute fit indices, incremental fit indices, and parsimonious fit indices. The results of the goodness-of-fit statistics with the calibration sample (n = 191) were described in Table 32.

Table 32
Fit Indices for the Overall Measurement Model (Calibration Sample = 191)

Measures	Goodness-of-Fit Statistics	Recommended Value
Absolute Fit Measures		
Chi-square ($\chi2$) of estimate model	1359.69 (*df* = 472)	3 df > $\chi2$
Goodness-of-fit index (GFI)	0.729	>0.80
Root mean square residual (RMSR)	0.082	<0.08
Root mean square error of approximation (RMSEA)	0.088	<0.08
Incremental Fit Measures		
Adjusted goodness-of-fit index (AGFI)	0.678	>0.80
Non-normed fit index (NNFI)	0.955	>0.90
Normed fit index (NFI)	0.940	>0.90
Comparative fit index (CFI)	0.960	>0.90
Incremental fit index (IFI)	0.960	>0.90
Relative fit index (RFI)	0.933	>0.90
Parsimonious Fit Measures		
Parsimony goodness-of-fit index (PGFI)	0.614	>0.60
Parsimony normed fit index (PNFI)	0.840	>0.60

First, the absolute fit measure directs the degree of which the model as a whole, both

path and measurement collectively, deliver an acceptable fit to the sampled data without any

adjustment for over-fitting. Accordingly, an alternative model is not used as a source for

comparison unlike other fit indices (Hu & Bentler, 1999; Reisinger & Mavondo, 2006).

These indices contain Chi-square (χ^2) of the estimated model, Goodness-of-fit index (GFI),

Root mean square residual (RMR), and Root mean square error of approximation (RMSEA).

The Chi-square (χ^2) of the estimated model was scrutinized to assess the closeness of

fit between the unrestricted sample covariance matrix and the restricted covariance matrix

(Yoon, 2002). In this study, the Chi-square (χ^2) value of 1359.69 with 472 degrees of

freedom showed an acceptable along with the relative χ^2 (also known as CMIN), which is the

Chi-square statistic divided by degrees of freedom (χ^2/df) of 2.88 because the value <3

reflects acceptable fit although the p-value was statistically significant (p = .00), which is

usually interpreted as unacceptable (if p-value is lower than .05). As different

interpretations showed with the same value in this study, it is controversial to choose the

Chi-square statistic as criteria of model evaluation because it is very sensitive to the size of a

model (model with more variables and bigger sample size have larger χ^2) and to the

distribution of variables (extremely skewed and kurtotic variables increase the value). In

case of data with large sample size, small differences between the observed model and the

perfect-fit model can be significant whereas small samples may have a big possibility to

accept a poor model easily (Reisinger & Mavondo, 2006). Therefore, the interpretation of Chi-square statistic should be careful and assessed with other indices.

The goodness-of-fit index (GFI) that was examined to compare the hypothesized model with no model at all yielded a value of .73. This index is a non-statistical measure ranging from 0 (poor fit) to 1.00 (perfect fit) and shows the overall degree of fit without adjusting for degrees of freedom (Hair et al, 1998; Hu & Bentler, 1999). Usually, higher values (close to 1) indicate better fit and 0.8 is regarded as an acceptable fit but no absolute cut off points have been come to an agreement because it doesn't specify whether the model is or is not supported by the collected data, what is erroneous with the model, or which paths to remove to make it better fit (Joreskog & Sorbom, 1989b, as cited in Reisinger & Mavondo, 2006). Thus, the result of the GFI for this study with the value of .73 does not necessarily mean a poor level of fit.

Like GFI, the values of the root mean square residual (RMR) and the root mean square error of approximation (RMSEA) can show poor fit because of one relationship only being poorly determined. Since RMR was utilized to estimate the average residual value stemmed from the fitting of the variance- covariance matrix for the hypothesized model (seven constructs with 33 indicators) to the variance-covariance of the sample data, the small value can mean good fitting model. That is to say, this value points out the average value across all standardized residuals ranging from 0 to 1. For a well-fitting model, it should be less than .08 (Suh & Han, 2002). However, the RMR value of .082 denoted the correlations to within an average error of .08, which may be acceptable in this study. RMSEA is an index to quantify

model misfit, recommending that a value of less than .05 indicates a good fit, and values greater than .08 indicates reasonable errors of approximation in the population (Hu & Bentler, 1999). The value of RMSEA for this hypothesized measurement was .088, which may be regarded as an acceptable level considering the weakness of the absolute fit indices as criteria for model evaluation. Overall, when the absolute fit statistical indices were observed, the hypothesized model represented an acceptable-fitting model to the data, in that the hypothesized model fit the data for the calibration sample looked not seriously poor. As a result, it can be proposed that further analysis such as structural equation modeling would be possible and valid.

As the second goodness-of-fit statistics, the incremental fit indices were scrutinized. The incremental fit indices were developed to estimate the proportionate improvement in fit by contrasting a target model with a more restricted, nested baseline model (Hair et al, 1998; Hu & Bentler, 1999; Yoon, 2002). The indices include the adjusted goodness-of-fit index (AGFI), the non-normed fit index (NNFI), and the normed fit index (NFI).

The adjusted goodness-of-fit index (AGFI) can be regarded as an absolute goodness-of-fit index because it is an extension of GFI, which is adjusted by the ratio of degrees of freedom for the specified model to the degrees of freedom of the null model (Hair et al, 1998; Hu & Bentler, 1999; Yoon, 2002). As the value of AGFI was .678, which still did not exceed a recommended threshold level of .80, it is not easy to say that the hypothesized model fit the calibration sample fairly well just based on the index. However, AGFI also has the pitfalls that absolute goodness-

of-fit indices have and the interpretation should be careful even if it is not within the level of well-fit (Reisinger & Mavondo, 2006).

The NNFI reflects upon the complexity of the model by comparing the hypothesized model with the independent model. This index is also known as TLI (Tucker and Lewis' index) that was established to measure the extent to which a particular exploratory factor model improves over a zero factor model when evaluating maximum likelihood (Hair et al, 1998; Hu & Bentler, 1999; Yoon, 2002). Because the larger value than .90 is considered an acceptable level for well-fitting data, the value of NNFI of .955 was accepted, expecting that the hypothesized model fit the data well. The NFI, one of the more popular measures ranging from 0 (no fit at all) to 1.0 (perfect fit), signifies the proportion of total covariance among observed variables accounted for by a proposed model in case of adopting the null model as a baseline model (Hair et al, 1998; Yoon, 2002). Like TLI (or NNFI), a value of NFI that is bigger than .90 reflects on an acceptable data for the model. The value of NFI was .940 that could be symptomatic of that the model fit the data properly well.

While there are many other incremental fit measures, the following three indices represent comparisons between the estimated model and a null or independence model (Hair et al, 1998): the comparative fit index (CFI), the incremental fit index (IFI), and the relative fit index (RFI). The value of CFI indicates the improvement in non-centrality by going from the least restrictive model to the most saturated model (Yoon, 2002). The incremental fit index (IFI) shows the issues of parsimony and sample size that is related to NFI, which is used to compare a restricted model with a full model using a baseline null model. The relative fit index (RFI),

which is also known as RH01, is equivalent to CFI while it is not guaranteed to vary from 0 to 1 (Reisinger & Mavondo, 2006). The values of incremental fit indices generally range from 0 to 1, and larger values demonstrate higher level of goodness-of-fit. The traditional cutoff for these indices is .90 for well-fitting models but there is an argument that this value needs to be increased to .95 (Marsh, Hau, & Wen, 2004). As presented in Table 32, the value of CFI, IFI, and RFI was .96, .96 and .93 correspondingly, revealing that these values were adequate to support a well-fitting model to the data.

Lastly, the parsimonious fit indices direct facts concerning a comparison between models of differing complexity and objectives by assessing the fit of the model versus the number of estimated coefficients required to attain that level of fit. Parsimony is defined as accomplishing greater degrees of freedom used and thus it is desirable (Hair et al, 1998; Yoon, 2002). They penalize more complicated models and so that simpler models are favored over less parsimonious ones. The more parsimonious the model, the higher the fit indices (Reisinger & Mavondo, 2006). These indices include the parsimony goodness-of-fit index (PGFI), the parsimony normed fit index (PNFI), and others such as Akaike Information Criterion (AIC). This study focused on PGFI and PNFI only due to their ability to diagnose the over-fitting model from the data with excessive coefficients while they do not have commonly agreed upon cut-off value for an acceptable model (Marsh et al, 2004). The parsimony goodness-of-fit index (PGFI) is associated with the parsimony issue in the model and considers the complexity of the hypothesized model in the estimation of overall model fit (Yoon, 2002). The value ranges between 0 (not parsimonious at all) and 1 (the least complex), with greater values demonstrating

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better model parsimony. Hence, as presented in Table 24, the value of the PGFI was .614,

telling that the hypothesized model fit the data parsimoniously because the value of .6 may be

indicative of acceptable fit (Hu & Bentler, 1999; Marsh et al, 2004). The parsimony normed fit

index (PNFI) illustrates the complexity of the model in its calculation of goodness-of-fit.

Fundamentally this index is employed to compare models with differing degrees of freedom. A

higher value of the PNFI indicates a better model fit while the recommended level of acceptable

fit of PNFI is not established clearly (Reisinger & Mavondo, 2006). The value of the PNFI for

this study was .84, which may indicate considerable model differences (Hair et al, 1998).

In conclusion, the review of the three types of goodness-of-fit indices for the overall

measurement model (the calibration sample) showed these findings: that is, 1) the consistent

patterns of values of fit indices indicated that the model was well-fitted to the data, and so 2) the

hypothesized model was reliable and valid in representing the calibration sample. Along with

these various criteria, the investigation of the theoretical and practical aspects of the proposed

model with 7 constructs and 33 measurement items indicated that the model was acceptable for

representing the collected data.

CFA of Validation Sample for Overall Measurement Model

This section aims to interrogate whether the overall measurement model that was re-

specified in the calibration sample reproduces a validation sample. Therefore, the overall

measurement model with seven constructs and 33 measurement items, which was acknowledged

as a well-fitting model by CFA in the calibration sample data, was tested to see whether it appropriately presented the validation sample (n = 213, 52.7% of a total sample).

Accordingly, an initial estimation of the measurement model for the validation data presented an acceptable model to the data without any change within the re-specified estimated parameters. Like the calibration model, all of the estimated parameters of the t-value surpassed a recommended threshold level of ± 1.96 at a significant level of 0.05. The investigation of unstandardized solutions and the standard errors indicated that all of the estimated parameters were significant as shown in calibration sample.

Additionally, the squared multiple correlations (R^2) were scrutinized to know whether the proposed measurement model properly was explained by the observed indicators. As shown in Table 34, the squared multiple correlations (labeled as indicator reliability) ranged from .06 to 95 while they looked more dispersed that those in calibration sample. Although the indicator reliability of FAM 4 (I was not familiar with the CVB before my recent experience) was very low (.058), its t-value is greater than the threshold (i.e. ± 1.96) and the item had been used as the reliable indicator for familiarity in many previous studies. Consequently, the item could remain as an indicator in this study. Furthermore, the values of construct reliability showed in the very similar to those in calibration data as follows: Customer Orientation (.97), Familiarity (.81), Reputation (.90), Satisfaction (.93), Trust (.86), Commitment (.80), and Behavioral Intention (.94). As a result, all constructs showed sufficient composite reliability at the recommended threshold level of .70, and the completely standardized factor loadings ranged from .24 to .97. Last of all, the extracted variances, which illustrate the overall amount of variance in the

indicators explained by the latent construct, turned out that all exceeded a recommended level of .50: Customer Orientation (.82), Familiarity (.57), Reputation (.69), Satisfaction (.73), Trust (.57), Commitment (.60), and Behavioral Intention (.80). These results confirmed that two sub-samples showed similar patterns with regard to the number of indicators, and the estimated coefficients of the all estimated parameters.

Table 33
The Correlation Matrix for the Overall Measurement Model (Validation)

1.000
.710 1.000
.638 .684 1.000
.711 .643 .640 1.000
.743 .714 .714 .824 1.000
.679 .645 .684 .661 .797 1.000
.731 .685 .661 .738 .844 .756 1.000
.728 .711 .682 .708 .722 .656 .685 1.000
.286 .277 .289 .270 .267 .240 .266 .214 1.000
.296 .302 .303 .325 .308 .299 .305 .219 .893 1.000
.372 .317 .328 .382 .375 .374 .410 .380 .329 .359 1.000
-.018 -.088 -.124 -.059 -.078 -.097 -.013 -.079 .276 .189 .248 1.000
.544 .544 .506 .490 .599 .477 .540 .547 .355 .380 .387 -.037 1.000
.574 .603 .524 .583 .613 .442 .556 .557 .335 .367 .360 -.080 .779 1.000
.468 .456 .463 .520 .541 .432 .525 .441 .254 .315 .362 -.106 .625 .600 1.000
.361 .382 .268 .302 .354 .328 .355 .373 .162 .144 .236 .054 .484 .378 .412 1.000

.699 .631 .647 .684 .748 .553 .663 .687 .275 .297 .372 -.147 .623 .712 .551 .351 1.000

.332 .267 .268 .367 .298 .282 .292 .331 .215 .210 .195 .002 .286 .363 .171 .345 .382 1.000

.508 .458 .447 .539 .521 .407 .543 .556 .149 .165 .372 -.115 .573 .606 .536 .370 .702 .334 1.000

.608 .555 .565 .617 .658 .498 .581 .593 .270 .298 .314 -.176 .618 .655 .577 .418 .829 .393 .780 1.000

.485 .487 .498 .478 .568 .423 .529 .511 .187 .250 .313 -.095 .557 .614 .467 .274 .708 .265 .603 .724 1.000

.552 .558 .569 .581 .622 .450 .580 .577 .264 .255 .287 .021 .554 .622 .447 .317 .699 .255 .572 .689 .676 1.000

.345 .306 .314 .466 .451 .337 .390 .358 .209 .210 .253 .046 .393 .460 .322 .295 .445 .532 .342 .425 .399 .398 1.000

.263 .225 .246 .357 .328 .251 .335 .208 .279 .265 .252 .185 .319 .351 .327 .311 .334 .542 .341 .454 .388 .434 .652 1.000

.596 .523 .529 .605 .635 .510 .599 .550 .255 .265 .417 .067 .586 .569 .499 .444 .651 .314 .615 .687 .645 .615 .460 .462 1.000

.509 .544 .495 .517 .530 .448 .470 .511 .293 .308 .349 .064 .462 .537 .423 .379 .612 .240 .518 .593 .543 .421 .342 .356 .639 1.000

.532 .519 .541 .567 .602 .485 .557 .514 .284 .346 .367 -.009 .556 .607 .549 .369 .679 .237 .564 .622 .578 .593 .437 .354 .684 .628 1.000

.279 .430 .292 .255 .303 .289 .323 .316 .019 .084 .094 -.152 .196 .328 .196 .106 .317 -.051 .306 .338 .248 .186 .027 -.060 .233 .337 .318 1.000

.553 .562 .504 .514 .568 .461 .562 .495 .495 .482 .395 .119 .611 .606 .567 .383 .612 .258 .558 .604 .574 .599 .394 .369 .588 .540 .693 .274 1.000

.655 .597 .541 .585 .648 .479 .557 .589 .253 .264 .369 -.028 .603 .637 .524 .449 .748 .368 .644 .729 .601 .613 .459 .409 .723 .612 .645 .250 .658 1.000

.676 .621 .573 .592 .669 .548 .553 .620 .326 .327 .383 -.022 .617 .645 .518 .429 .755 .386 .635 .737 .579 .610 .471 .391 .695 .641 .661 .265 .704 .937 1.000

.596 .521 .494 .547 .612 .433 .525 .550 .314 .322 .329 .012 .588 .611 .498 .363 .742 .354 .652 .692 .616 .600 .427 .365 .664 .592 .660 .254 .696 .861 .876 1.000

.231 .289 .284 .260 .280 .195 .264 .248 .180 .194 .148 .064 .263 .338 .137 .255 .350 .167 .279 .279 .262 .332 .191 .121 .362 .404 .345 .213 .410 .407 .427 .458 1.000

Table 34
Results of CFA for Overall Measurement Model (Validation Sample = 213)

Constructs	Indicators	Completely Standardized Loadings	Indicator Reliability	Error Variance	Construct Reliability	Variance Extracted
Customer Orientation	CO1	0.800	0.640	0.360		
	CO2	0.848	0.719	0.281		
	CO3	0.785	0.617	0.383		
	CO4	0.852	0.725	0.275	0.973	0.818
	CO5	0.930	0.866	0.134		
	CO6	0.823	0.678	0.322		
	CO7	0.879	0.772	0.228		
	CO8	0.817	0.667	0.333		
Familiarity	FAM1	0.935	0.875	0.125		
	FAM2	0.954	0.909	0.091	0.808	0.571
	FAM3	0.378	0.143	0.857		
	FAM4	0.240	0.058	0.942		
Reputation	REP1	0.870	0.757	0.243		
	REP2	0.876	0.767	0.233	0.896	0.692
	REP3	0.722	0.521	0.479		
	REP4	0.508	0.258	0.741		
Satisfaction	SAT1	0.908	0.825	0.175		
	SAT2	0.417	0.174	0.824		
	SAT3	0.804	0.646	0.354	0.926	0.726
	SAT4	0.917	0.840	0.160		
	SAT5	0.784	0.615	0.385		
Trust	TRU1	0.764	0.583	0.417		
	TRU2	0.527	0.277	0.723		
	TRU3	0.475	0.225	0.775	0.863	0.568
	TRU4	0.810	0.656	0.344		
	TRU5	0.711	0.505	0.495		
Commitment	COM1	0.826	0.682	0.318		
	COM2	0.331	0.109	0.891	0.801	0.601
	COM4	0.845	0.714	0.286		

	BI1	0.960	0.921	0.079		
	BI2	0.973	0.947	0.053		
Behavioral Intention	BI3	0.903	0.815	0.185	0.937	0.800
	BI4	0.445	0.198	0.802		

In the same way of calibration sample, the assessment of goodness-of-fit statistics for the validation sample was completed by three types of fit indices such as absolute fit indices, incremental fit indices, and parsimonious fit indices (Hair et al, 1998). As presented in Table 35, most of all the fit indices produced acceptable levels of a well-fitting model to the data like the result of calibration sample. For instance, the absolute fit index, which shows how well a hypothesized model replicates the collected sample data, revealed that the Chi-square (χ^2) of the estimated model is 998.99 (with 472 degrees of freedom) and so the statistic showed a little bit better CMIN/df (2.12) than that of calibration sample (2.88). While the goodness-of-fit index (GFI) is .778 and it still remains below the recommended level (.80), the root mean square residual (RMR) is .077 and the root mean square error of approximation (RMSEA) is .073, showing acceptable level of fit (<.08).

The incremental fit indices, which assessed the comparable improvement in fit by comparing a proposed model with a more restricted, nested base line model, generated an adjusted goodness-of-fit index (AGFI) of .74, a nonnormed fit index (NNFI) of .97, a normed fit index (NFI) of .96, the comparative fit index (CFI) was .98, the incremental fit index (IFI) was .98, and the relative fit index (RFI) was .95. They were very similar to those in calibration data and all indices were acceptable except for AGFI although they showed slightly better than those in calibration data.

As a final point, the parsimonious fit indices delivered information for comparison between models of making complexity and objectives different by estimating the fit of the model as opposed to the number of estimated coefficients necessary to attain that level of fit (Yoon, 2002). As shown in Table 35, the parsimony goodness-of-fit index (PGFI) was .65 and the parsimony normed fit index (PNFI) was.86 and they also turned out to be similar to those in calibration sample.

In conclusion, the review of the three types of the overall measurement model with the validation sample showed that the consistent patterns of values of fit indices confirmed that the model fit the data well, implying that the re-specified proposed model from the calibration sample was reliable and valid on behalf of the validation sample. Along with these various criteria of model fit indices, the analysis of the theoretical and practical characteristics of the proposed model with seven constructs and 33 observed variables maintained that this hypothesized model was acceptable when using the split data technique in both the calibration sample and the validation sample. For that reason, further analysis such as full structural equation modeling for the hypotheses tests was implemented because it would be possible and reliable.

Table 35

Fit Indices for the Overall Measurement Model (Validation Sample = 213)

Measures	Goodness-of-Fit Statistics	Recommended Value
Absolute Fit Measures		
Chi-square ($\chi 2$) of estimate model	998.988 ($df = 472$)	3 df > $\chi 2$
Goodness-of-fit index (GFI)	0.778	>0.80
Root mean square residual (RMSR)	0.077	<0.08
Root mean square error of approximation (RMSEA)	0.073	<0.08
Incremental Fit Measures		
Adjusted goodness-of-fit index (AGFI)	0.736	>0.80
Non-normed fit index (NNFI)	0.973	>0.90
Normed fit index (NFI)	0.958	>0.90
Comparative fit index (CFI)	0.976	>0.90
Incremental fit index (IFI)	0.976	>0.90
Relative fit index (RFI)	0.952	>0.90
Parsimonious Fit Measures		
Parsimony goodness-of-fit index (PGFI)	0.654	>0.60
Parsimony normed fit index (PNFI)	0.856	>0.60

Convergent and Discriminant Validity

Construct validity is considered the capability that a measure endorses a network of associated propositions formed from a theory based on the concepts (Zikmund, 1997, p.303). It consists of convergent and discriminant validity. Convergent validity can be established when a new measure of a construct should be "converged" with other similar measures. In other words, a measure has convergent validity when it is highly associated with different measures of similar

constructs (Zikmund, 1997, p.304). Discriminant validity is founded when some measures are not highly correlated to measures of different constructs. Basically speaking, the measures related to a construct should be "discriminant" from other measures associated with another construct. The correlations between two measures for two different constructs should not be considerable to establish discriminant validity. In case of structural equation modeling (SEM), the observed indicators, which were designed to measure the different constructs in the model, are required to show different results (Yoon, 2002: Zikmund, 1997).

Regarding the convergent validity, in case that the measurement items in a common latent factor show high loadings on that factor, convergent validity is accomplished. These high loadings suggest that meaningful correlations on the latent construct are established and the measurement items are measuring what they are intended to measure (Anderson & Gerbing, 1988; Yoon, 2002). The convergent validity of the measurement items can be estimated by item (i.e. indicator) reliability, composite (i.e. construct) reliability, and the variance extracted measure (Suh & Han, 2002). Item reliability reflects the amount of variance in an item caused by the latent construct rather than error. Composite reliability illustrates the extent to which the items represent the common construct. The variance extracted measure shows the amount of variance in the items accounted for by the construct (Heir et al, 1998; Suh & Han, 2002). While the result of the test of convergent validity can be shown in Table 31 (calibration sample) and 34 (validation sample), the latter was used to assess the convergent validity because it was tested with the re-specified model from the calibration sample. The item reliabilities of all items except for eight items (FAM3, FAM4, REP4, SAT2, TRU2, TRU3, COM2, and BI4) out of 33

indicators, exceeded the recommended level of .50. The low contribution of the eight items was explained and modified by re-specifying the measurement models with adding error covariance. Composite reliabilities showed the range from .801 (for Commitment) to .973 (for Customer Orientation), which resulted in the acceptable construct reliability surpassing the recommended level of .70. Variance extracted measures also exceed the recommended level of .50, ranging from .568 (for Trust) to .818 (for Customer Orientation). Therefore, it demonstrated that the measurement items accomplished convergent validity of the constructs.

Regarding discriminant validity, this study followed the procedures suggested by Anderson and Gerbing (1988) that the discriminant validity would be tested by constraining the correlation between each pair of constructs to be 1. This constraint gave a new Chi-squared value for the model. The differences between the Chi-square (χ^2) for original hypothesized model (baseline model) and the constrained models also had a Chi-square (χ^2) distribution with one degree of freedom. In cases that these differences surpass 3.84 (at p<.05), the critical value of the χ^2 distribution with one degree of freedom for each pair of constructs tested, it can be concluded that discriminant validity is established at that moment (Anderson & Gerbing, 1988).

The summary of Chi-square difference tests between the baseline model and constrained models on each pair of constructs is shown in Table 36. The Chi-square differences ranged from 15.23 to 826.08. As the critical value of the Chi-square test is 9.21 even if this study was looking at the higher alpha value of .01, all of the assessed Chi-square difference values were obviously significant. Furthermore, when the correlation between the constructs was unconstrained, the models showed better results with regard to the Chi-square value, GFI, AGFI,

RMSEA, and CFI, etc. For that reason, this indication can approve that not all of the constructs

are correlated perfectly.

Table 36
Results of Discriminant Validity Tests

	Chi-square (χ^2)	Change in χ^2	Correlation
Baseline Model	1677.52		
<Constructs Pairs>			
CO - FAM	2044.64	367.12	0.389
CO - REP	1929.17	251.65	0.774
CO - SAT	2135.65	458.63	0.842
CO - TRU	1748.56	71.04	0.841
CO - COM	1817.93	140.41	0.750
CO - BI	2503.60	826.08	0.757
FAM - REP	2007.89	330.37	0.499
FAM - SAT	2054.18	376.66	0.361
FAM - TRU	2206.23	528.71	0.394
FAM - COM	1904.59	227.07	0.553
FAM - BI	2038.13	360.61	0.385
REP - SAT	1812.17	134.65	0.847
REP - TRU	1722.95	45.43	0.842
REP - COM	1821.87	144.35	0.728
REP - BI	1949.08	271.56	0.753
SAT - TRU	1692.75	15.23	0.924
SAT - COM	1828.81	151.29	0.744
SAT - BI	2121.17	449.65	0.852
TRU - COM	1758.93	81.41	0.799
TRU - BI	1743.67	66.15	0.861
COM - BI	1805.75	128.23	0.786

Note: CO = Customer Orientation, FAM = Familiarity, REP = Reputation, SAT = Satisfaction, TRU = Trust,
COM = Commitment, and BI = Behavioral Intention

Structural Equation Modeling (SEM)

This study adopted structural equation modeling (SEM) in testing the hypotheses because SEM has been applied in testing hypotheses about relationships among observed latent variables (Hoyle, 1995b). Particularly, SEM has been considered as a way of testing a specified theory about relationships between theoretical constructs (Jöreskog, 1995).

More specifically, the structural equation model is used to test a hypothetical model that prescribes relationships between latent constructs and observed variables that are indicators of latent constructs. The relationships between the constructs can be identified by providing path coefficients (parameter values) for each of the research hypotheses. Each estimated path coefficient can be tested for its respective statistical significance for the hypotheses' relationships, while including standard errors and calculated t-values (Bollen, 1989a; Byrne, 1998; Hair et al., 1998; Loehlin, 1992).

Initial Theoretical Structural Model

The main objectives of this study were to develop a theoretical model of DMOs' relationship marketing targeted for meeting planners and to empirically examine the relationships among the following constructs: 1) customer orientation, 2) familiarity, 3) reputation, 4) satisfaction, 5) trust, 6) commitment, and 7) behavioral intention.

In investigating the proposed hypotheses of this study, an initial theoretical structural model was tested with three exogenous constructs and four endogenous constructs, as shown in Figure 2. A total of 33 observed indicators (16 for exogenous constructs and 17 for endogenous constructs) were used to measure these seven research constructs.

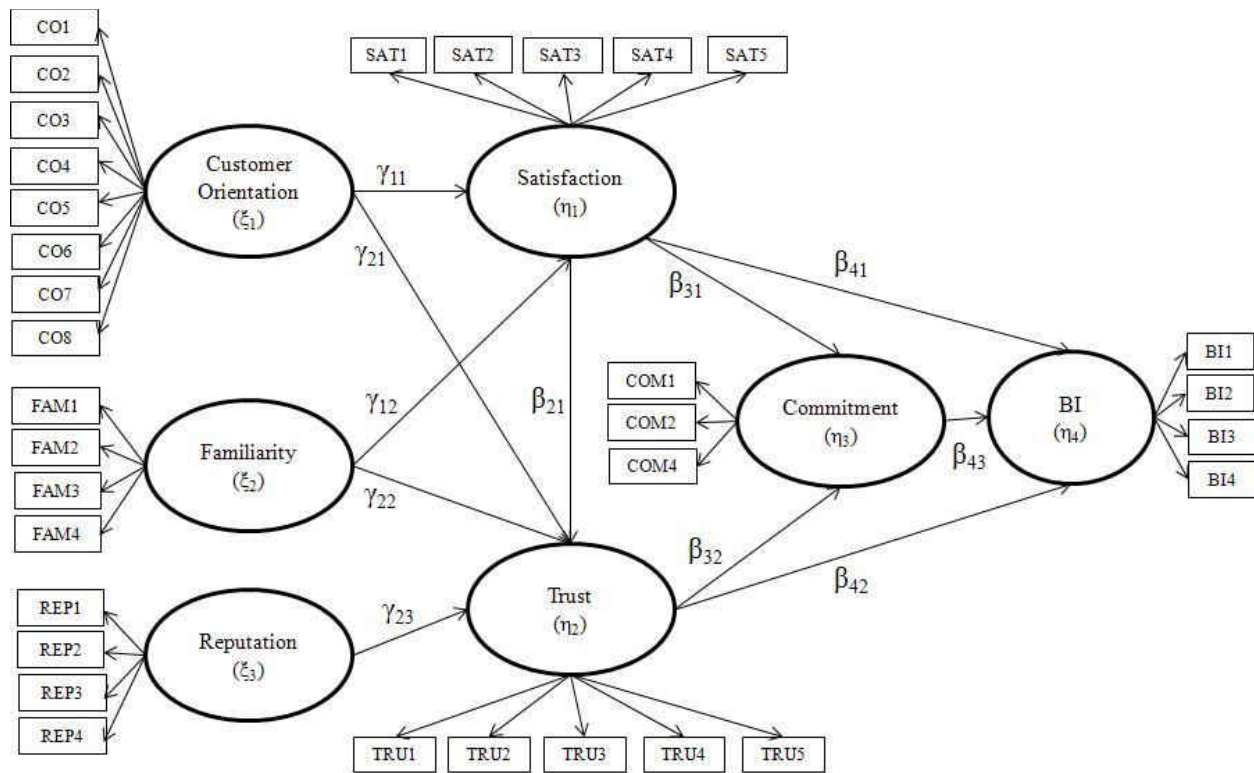**Figure 2. Initial Theoretical Structural Model**

As examining the relationships between/among the exogenous and endogenous constructs is the foremost interest in structural equation modeling in the process of testing hypotheses, the relationships can be indicated by such two types of matrices as a Gamma matrix (γ) and a Beta matrix (β) (Hair et al, 1998; Jöreskog & Sörbom, 1999; Yoon, 2002). While the

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Gamma matrix denotes the regression coefficients that connect the exogenous constructs to the endogenous constructs, the Beta matrix indicates the regression coefficients that relate the endogenous constructs each other. Hence, this study contained five Gamma paths to be estimated and six Beta paths to be estimated. Each of paths to be estimated indicates one of the proposed hypotheses in this study. That is to say, γ_{11} describes Hypothesis 1 (DMO's customer orientation is positively related to satisfaction), and β_{34} specifies Hypothesis 11 (Commitment to the relationship with DMO is positively related to behavioral intention). Accordingly, the initial structural equation model with five Gamma paths and six Beta paths was analyzed based on the output from the LISREL program for structural equation modeling (SEM). While split samples such as the calibration and validation samples were used to analyze the overall measurement model, the whole sample (N=404) was used to test this initial theoretical structural model for the entire sample represents more appropriate to explain path models, which illustrate the relationships among the latent constructs and observed variables (Reisinger & Mavondo, 2006).

The first review of the initial theoretical structural model showed that the Chi-square value was 1794.56 with 481 degrees of freedom (p < .000). This result showed that the initial theoretical model was not a well-fitting model to the data because the relative Chi-square statistic revealed the acceptable level of threshold (3.73). Based on the result, it was concluded that the proposed initial model was underestimated and could have room for improvement. While Chi-square test shows that the model needs to be re-specified, other goodness-of-fit indices have been recommended to be pondered together when the model was evaluated (Jöreskog & Sörbom, 1999; Suh & Han, 2002) on account of the recognized sensitivity of the Chi-square test to the

sample size (Hair et al, 1998; Reisinger & Mavondo, 2006). Since the sample size for this study

was 404 cases, the Chi-square statistic may deliver poor guidance in determining the extent to

which the proposed model fits the data (Reisinger & Mavondo, 2006). Review of goodness-of-

fit statistics revealed that the initial theoretical model fit the data fairly acceptable (GFI = .787,

AGFI = .752, CFI =.972, RMSEA = .082, PGFI = .675, and PNFI = .877). Nonetheless, there

were some evidences of the misspecification in the model when reviewing the modification

indices.

Revised Structural Model

The modification indices recommended that the initial theoretical model could be specified

for a better model fit to the data. More in detail, the maximum modification index (MI) was

121.5 for theta-epsilon (TE) between TRU2 and TRU3 (TE - 2, 3), suggesting that these error

variances were greatly correlated and delivered indication of misfit in the model (see Figure 3).

Because interrelated error covariance needs to be justified when it was adopted for re-

specification (Hair et al, 1998; Yoon, 2002), the correlated error variance between the indicator

TRU2 (There are times when I find the CVB to be insincere) and TRU3 (I find it necessary to be

cautious in dealing with the representative in the CVB) was justified as their relationship was

constrained in the overall measurement model on the basis of studies done by Crosby et al (1990)

and Moorman et al (1992). Both studies pointed out that these two indicators successfully

measured the construct of trust, which explained correlations between the indicators because

both of them were situated in negative perspective semantically and reversely coded

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methodologically. Consequently, the covariance between these two indicators was plausibly tolerable.

After re-estimation of the theoretical model with TE (2,3) designated as a free parameter, the Chi-square value dropped to 1566.495 with 480 degrees of freedom (p < .00). Goodness-of-fit statistics were improved. Nevertheless, the review of modification indices still discovered a misfit in the model and recommended that the model could have a better fit if a direct path was added from reputation (ξ_3) to satisfaction (η_1) (γ_{13}: Gamma 1,3), which was not hypothesized to be tested in this study. The value of the modification index for γ_{13} was 81.2, which was the highest modification index compared to other recommended paths. It would be justified to assume that if respondents perceive the DMO reputable, they would be likely to be more satisfactory with the DMO's performance. This relationship was suggested by some researchers such as Anderson & Weitz (1992) that reputation was an antecedent of perceived quality, which would be the basis of customer satisfaction although this study assumed that reputation would be a state of the mind that was formed without a direct experience with the DMO. Consequently, it was acceptable to draw a path from reputation to satisfaction (γ_{13}). Then, the final revised model was re-estimated with TE (2,3), and Gamma (1,3) as free parameters.

The estimation of the final revised model produced a Chi-square value of 1469.923 with 479 degrees of freedom (p < .05). Although it was still statistically significant, the relative Chi-square statistic (also known as CMIN/df) showed acceptable because it was approximately three times of degrees of freedom (1469.923/479 = 3.0) considering the big sample size. Moreover, all of the goodness-of-fit statistics maintained that the final revised model revealed acceptable

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fitting to the data and recommended that this model be a final structural model to be tested for

the proposed hypotheses in this study (GFI = . 819, RMR = . 072, RMSEA = . 072, AGFI = .788,

NNFI = . 975, NFI = . 967, CFI = . 977, PGFI = .699, and PGFI = .877). The summary of the

revision processes and the associated goodness-of-fit statistics with added parameters was

reported in Table 38.

Table 37
The Correlation Matrix for the Structural Equation Model (N= 404)

1.000
.733 1.000
.625 .710 1.000
.703 .682 .669 1.000
.729 .720 .722 .818 1.000
.716 .651 .643 .703 .799 1.000
.757 .711 .689 .733 .815 .764 1.000
.705 .732 .712 .749 .759 .691 .729 1.000
.350 .327 .279 .299 .298 .306 .300 .246 1.000
.347 .313 .264 .289 .303 .303 .294 .220 .826 1.000
.428 .360 .343 .352 .401 .365 .432 .351 .398 .385 1.000
.023 -.033 -.092 -.048 -.044 -.013 .033 -.043 .300 .247 .259 1.000
.591 .578 .521 .531 .597 .512 .571 .553 .406 .412 .449 .037 1.000
.558 .590 .577 .567 .651 .482 .570 .589 .364 .388 .446 .000 .769 1.000
.519 .515 .474 .503 .559 .463 .533 .516 .288 .331 .386 -.056 .607 .622 1.000
.298 .293 .178 .258 .273 .241 .248 .293 .059 .072 .181 .199 .377 .315 .332 1.000
.688 .666 .653 .696 .729 .596 .677 .721 .278 .280 .372 -.076 .657 .661 .526 .303 1.000
.321 .292 .242 .350 .289 .283 .291 .343 .144 .154 .146 .110 .301 .304 .205 .470 .399 1.000
.581 .586 .577 .618 .598 .503 .611 .622 .258 .236 .390 -.052 .635 .609 .549 .275 .728 .327 1.000
.654 .635 .604 .632 .695 .575 .633 .647 .325 .324 .398 -.069 .669 .667 .575 .325 .822 .381 .817
1.000
.550 .536 .553 .538 .568 .485 .573 .556 .220 .195 .333 -.061 .603 .588 .459 .258 .697 .269 .609
.695 1.000
.499 .538 .505 .476 .555 .370 .521 .522 .245 .202 .349 -.011 .446 .540 .445 .205 .567 .190 .495
.563 .594 1.000
.314 .292 .290 .373 .358 .297 .377 .341 .115 .115 .182 .125 .346 .348 .278 .403 .405 .598 .309
.371 .382 .278 1.000
.277 .258 .242 .344 .314 .286 .336 .282 .162 .153 .174 .130 .255 .248 .277 .333 .340 .551 .285
.340 .322 .402 .630 1.000
.571 .539 .496 .534 .585 .481 .587 .541 .268 .232 .357 .010 .569 .522 .465 .365 .648 .279 .599
.651 .594 .474 .393 .324 1.000
.502 .548 .514 .523 .548 .474 .508 .553 .288 .312 .359 .015 .526 .552 .500 .302 .608 .281 .553
.578 .508 .410 .271 .282 .590 1.000

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.515 .488 .513 .536 .564 .514 .554 .522 .289 .400 .298 .046 .478 .491 .505 .232 .570 .223 .517
.545 .459 .385 .306 .279 .523 .588 1.000
.274 .322 .250 .218 .237 .230 .278 .258 .050 .157 .138 -.115 .199 .217 .273 .046 .238 -.066 .272
.247 .212 .137 .000 -.045 .170 .364 .386 1.000
.564 .584 .490 .535 .598 .536 .586 .531 .462 .487 .353 .092 .568 .552 .503 .252 .588 .261 .553
.596 .499 .429 .301 .276 .549 .502 .709 .307 1.000
.700 .624 .547 .623 .652 .548 .594 .618 .289 .307 .400 -.022 .627 .587 .537 .358 .743 .339 .641
.717 .589 .499 .406 .372 .648 .591 .594 .237 .627 1.000
.690 .617 .553 .592 .662 .585 .594 .623 .306 .336 .420 -.015 .628 .595 .544 .324 .770 .375 .658
.731 .554 .497 .379 .342 .629 .621 .582 .274 .652 .886 1.000
.650 .575 .501 .585 .616 .513 .583 .575 .315 .327 .387 .028 .606 .572 .538 .321 .743 .357 .656
.700 .598 .495 .391 .328 .618 .578 .599 .273 .670 .850 .885 1.000
.332 .355 .288 .341 .381 .325 .353 .348 .253 .250 .176 -.028 .362 .359 .292 .112 .391 .138 .326
.347 .277 .273 .126 .102 .374 .404 .394 .211 .481 .434 .433 .487 1.000

Table 38
Goodness-of-fit Measures for the Structural Equation Model (N= 404)

		Absolute Fit Measures				Incremental Fit Measures				Parsimonious Fit Measures	
	χ^2	GFI	RMR	RMSEA	AGFI	NNFI	NFI	CFI	IFI	PGFI	PNFI
IM	1794.56 $\underline{df} = 481$	0.787	0.079	0.082	0.752	0.969	0.962	0.972	0.972	0.675	0.877
R1	1566.50 $\underline{df} = 480$	0.809	0.077	0.075	0.777	0.973	0.965	0.975	0.975	0.692	0.877
R2	1469.92 $\underline{df} = 479$	0.819	0.072	0.072	0.788	0.975	0.967	0.977	0.977	0.699	0.877

Note: IM = Initial model; R1= Revised model with Theta-Epsilon (2,3); R2 = Final model with Theta-Epsilon (2,3) and Gamma (1,3)

χ^2 = Chi-square; GFI = goodness-of-fit index; RMR = root mean square residual; RMSEA = root mean square error of approximation; AGFI = adjusted goodness-of-fit; NNFI = non-normed fit index; NFI = normed fit index; CFI = comparative fit index; IFI = incremental fit index; PGFI = parsimony goodness of fit index; PNFI = parsimonious normed fit index

After the final revised model was established, this study conducted a post-hoc test through sequential Chi-square tests to check successive fit information (Anderson & Gerbing, 1988). As shown in Table 39, the Chi-square difference tests between the models showed that there were statistical differences at the significance level of .01 because Chi-square critical value with 1

degree of freedom is 9.21. Therefore, the second revised model was confirmed as the final

revised model in this study. The final revised structural model was drawn in Figure 3.

Table 39
Sequential Chi-square Testing for Model Comparison

Comparison Model	df Difference	χ^2 Difference	P
Initial Model vs. First Revised Model	1	228.06	< .01
First Revised Model vs. Final Revised Model	1	96.57	< .01
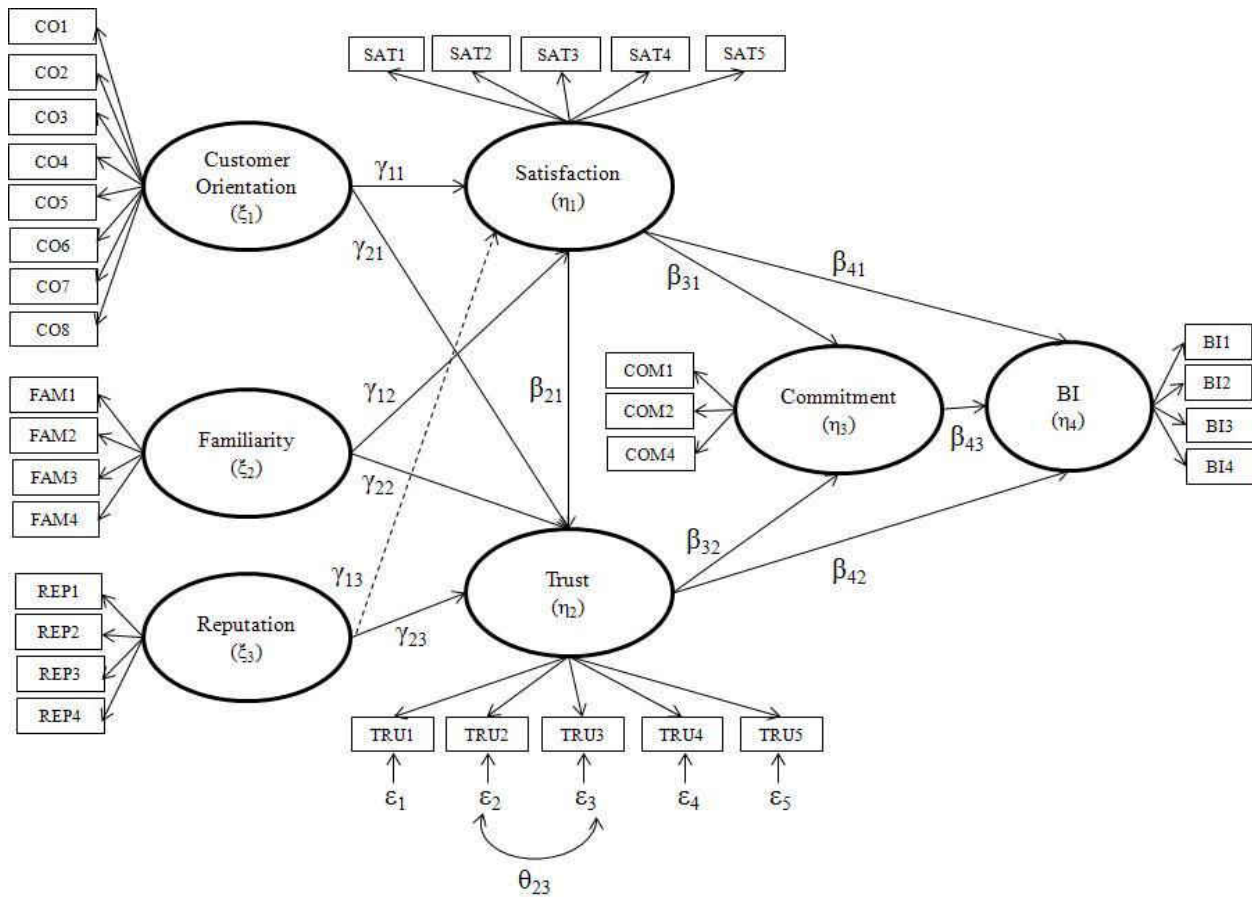
Figure 3. Revised Structural Model

Analysis of Hypotheses Testing

For the testing the proposed hypotheses in the structural model, the coefficients of the paths in the model were examined by scrutinizing the output of LISREL. The relationships between the constructs were tested based on t-values related to path coefficients between the constructs. In case that an estimated t-value is bigger than the specific critical value according to the significance level (t-value = 1.96 at α = .05) (Schumacker & Lomax, 2000), the null hypothesis, which means that there is no significant relationship between the two constructs and the related parameter is equal to zero, was rejected. Consequently, the hypothesis would be supported. The testing summary of the hypotheses in the model is provided in Table 30. In this study, a total of eleven hypotheses were proposed and tested by using structural equation modeling (SEM) with the help of the LISREL.

Table 40
Hypotheses Testing Summary

Hypotheses	Hypothesized Paths	Completely Standardized	T-value	Results
H1	CO to SAT (γ_{11})	0.47	8.84*	Supported
H2	CO to TRU (γ_{21})	0.12	2.85*	Supported
H3	FAM to SAT (γ_{12})	0.10	2.75*	Supported
H4	FAM to TRU (γ_{22})	0.09	3.18*	Supported
H5	REP to TRU (γ_{32})	0.04	1.03	Rejected
H6	SAT to TRU (β_{21})	0.81	10.00*	Supported
H7	SAT to COM (β_{31})	1.97	2.50*	Supported
H8	TRU to COM (β_{32})	2.78	3.56*	Supported
H9	SAT to BI (β_{41})	0.66	1.01	Rejected
H10	TRU to BI (β_{42})	-0.06	-0.08	Rejected
H11	COM to BI (β_{43})	0.30	2.05*	Supported

Note: * $p < .05$ (Critical t-value with 1 df = 1.96)
CO = Customer Orientation, FAM = Familiarity, REP = Reputation, SAT = Satisfaction, TRU = Trust, COM = Commitment, and BI = Behavioral Intention

H_1: DMO's customer orientation is positively related to satisfaction.

The result of SEM analysis showed that the path from the construct of customer orientation to the construct of satisfaction was significant and positive (t-value = 8.84, $p < .05$). This result supported that if meeting planners positively perceive DMO representative's customer-oriented attitude, they would be likely to be satisfactory with the performance of the DMO representative. In detail, if meeting planners agreed more strongly that the DMO representatives understand their needs, go extra miles for better services, try to innovate, care and consider them, and treat

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them well, they would feel pleasant to work with the DMO. In consequence, this finding was consistent with the findings of previous studies. Researchers have demonstrated that long-term customer satisfaction is nurtured by performances of the customer-oriented service providers (Howe et al, 1994) and customer-oriented employee behavior results in long-term satisfaction (Dunlap et al, 1988; Saxe & Weitz, 1982).

H_2: DMO's customer orientation is positively related to trust.

This hypothesis examined the relationship between customer orientation and trust and the result of SEM analysis supported hypothesis 2, having a t-value of 2.85, which was statistically significant at the level of .05. This finding suggested that meeting planners feel trust when they meet the customer-oriented DMO representative for planning their event and this also matches with the previous studies such as Han et al (1998) and Ganesan (1994). They proposed that customer orientation contribute to building customer retention based on mutual trust.

H_3: Familiarity with the DMO is positively related to satisfaction.

In hypothesis 3, it was postulated that meeting planners would be more satisfied with the experiences if they worked with the more familiar DMO. The result of SEM analysis supported this hypothesis, having a positive relationship between the constructs (t-value = 2.75, p < .05). For that reason, this finding advocated that if the familiarity of the meeting planners as customers

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may bring bigger possibility to cause more pleasant work environment with the DMO, which claimed by Oliver (1980) and Hess et al (2003).

H$_4$: Familiarity with the DMO is positively related to trust.

Hypothesis 4 explored the relationship between familiarity and trust. The structural coefficient and t-values related to these two constructs were positively significant (t-value = 3.18, p < .05). As a result, hypothesis 4 was supported. This finding showed that the more familiar DMO to the meeting planners, the more long-term relationship based on mutual trust. In particular, familiarity may raise trust by forming the complementary relationship between familiarity and trust, which reduces complexity of the business rapport (Gefen, 2000; Gulati, 1995; Luhmann, 1988).

H$_5$: The DMO's Reputation is positively related to trust.

Hypothesis 5 examined the relationship between the DMO's reputation and the meeting planners' trust with the DMO. However, the result of SEM analysis did not support this hypothesis, having a t-value of 1.03, which was not statistically significant at the level of .05 because it is smaller value than the critical value of t-value (1.96). This finding may suggest that the DMO's reputation did not guarantee the meeting planners' trust on the DMO about the decision whether the planners would maintain the relationship with the DMO.

On the contrary, the results of the structural equation model analysis found that there was an additional significant relationship between reputation and satisfaction (Gamma γ_{13}), which was not hypothesized to be tested in this study. As seen in Figure 3, the dotted line symbolizes the re-specified relationship between these two constructs. The estimated t-value and regression coefficient were statistically positively significant (t-value = 9.12, p < .01), and suggested that there was a positive relationship between reputation and satisfaction. Reasonably, it can be inferred that if meeting planners recognized the reputation of the DMO, it is likely that they would be satisfied with the performance of the DMO. For that reason, reputation may enhance the level of the planners' satisfaction but it cannot have a direct impact on building trust between them.

H_6: Satisfaction of the relationship with DMO is positively related to trust.

In the hypothesis 4, relationship between satisfaction and trust was scrutinized. The path coefficient and t-values associated with these two constructs were positively significant (t-value = 10.00, p < .01). Consequently, hypothesis 6 was supported. It was expected result that many previous studies proposed and supported empirically (Crosby et al, 1990; Garbino & Johnson, 1999; Morgan & Hunt, 1994). This finding showed that the satisfied meeting planners from the experience with the DMO have the trusted relationship with the DMO. This relationship has highest t-value among the paths in the structural model of this study.

H_7: Satisfaction of the relationship with DMO is positively related to commitment.

This hypothesis tested the relationship between satisfaction and commitment and the result of SEM analysis supported hypothesis 7, having a t-value of 2.50, which was statistically significant at the level of .05. This finding proposed that meeting planners feel commitment to their relationship with the DMO when they are satisfied with the DMO performance while they are planning and operating their event and this also are consistent with the previous studies such as Fornell (1992), Tax et al (1998), Kelley and Davis (1994), and Morgan and Hunt (1994).

H_8: Trust in the relationship with DMO is positively related to commitment.

In this hypothesis, it was proposed that meeting planners would be more committed to the DMO if they have more trust on the relationship with the DMO. The result of SEM analysis showed that this hypothesis was supported, having a positive relationship between the constructs (t-value = 3.56, $p < .01$). Accordingly, this finding supported that commitment is considered an essential element for reciprocally valuable long-term relationships based on trust (Doney & Cannon, 1997; Dwyer et al, 1987; Friman et al, 2002; Morgan & Hunt, 1994).

H_9: Satisfaction of the relationship with DMO is positively related to BI.

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The ninth hypothesis in this study is the causal relationship from meeting planners'

satisfaction to the favorable behavioral intentions regarding the DMO. Although many previous

studies indicated the relationship (Garbarino & Johnson; Kim, 2009; Moorman et al, 1992), the

result of SEM analysis did not support this hypothesis with this sample data, having a t-value of

1.01, which was not statistically significant at the level of .05 because it is quite lower than the

critical value of t-value (1.96). It might be suggested that, even though meeting planners are

satisfied with the relationship with the DMO, meeting planners can show different behaviors,

which means unfavorable to the DMO (e.g., switching partners) in their business.

H_{10}: Trust in the relationship with DMO is positively related to BI.

The result of SEM hypothesis test for Hypothesis 10 also turned out to be insignificant

relationship between trust and favorable behavioral intention. Unexpectedly, the value and sign

of the t-value of this path was small and negative (-.08) unlike literature, which mentioned that

trust is a antecedent for future intention (Bettencourt, 1997; Garbarino & Johnson; Gefen, 2000;

Moorman et al, 1992; Wong et al, 2008).   This result might be inferred that the decision (or even

intention) to work with which DMO may have nothing to do with the fact that meeting planners

merely trust the DMO because they may have many other criteria to choose their business

partners (e.g., budget, rotation policy, etc.).

The results of the Hypothesis 9 and 10 showed that satisfaction and trust may not have

direct influence on behavioral intention although this study expected hypothesized relationship

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based on literature. The sample in this study cannot support the relationship but they may have indirect relationship through the mediator, commitment to the ultimate endogenous construct, behavioral intention.

H_{11}: Commitment to the relationship with DMO is positively related to BI.

Many researchers in social science area such as marketing, psychology, or sociology claimed that various types of commitment (i.e., cognitive, affective, and conative) affect the customer's future intention to spread word of mouth, willingness to recommend or encourage the provided service to others, intention to revisit. Like their prepositions, the result of SEM analysis showed that this hypothesis was supported, having a positive relationship between the constructs (t-value = 2.05, p < .05).   Accordingly, this finding supported that commitment is regarded as an important antecedent that lead to favorable behavioral intention also in the sample data of this study. That is, if meeting planners are committed to the relationship with the DMO, they are highly likely to show positive behavior for their future business (Garbarino & Johnson, 1999; Lee & Hiemstra, 2001; Mattila, 2006; Moorman et al, 1992; Wong et al, 2008).
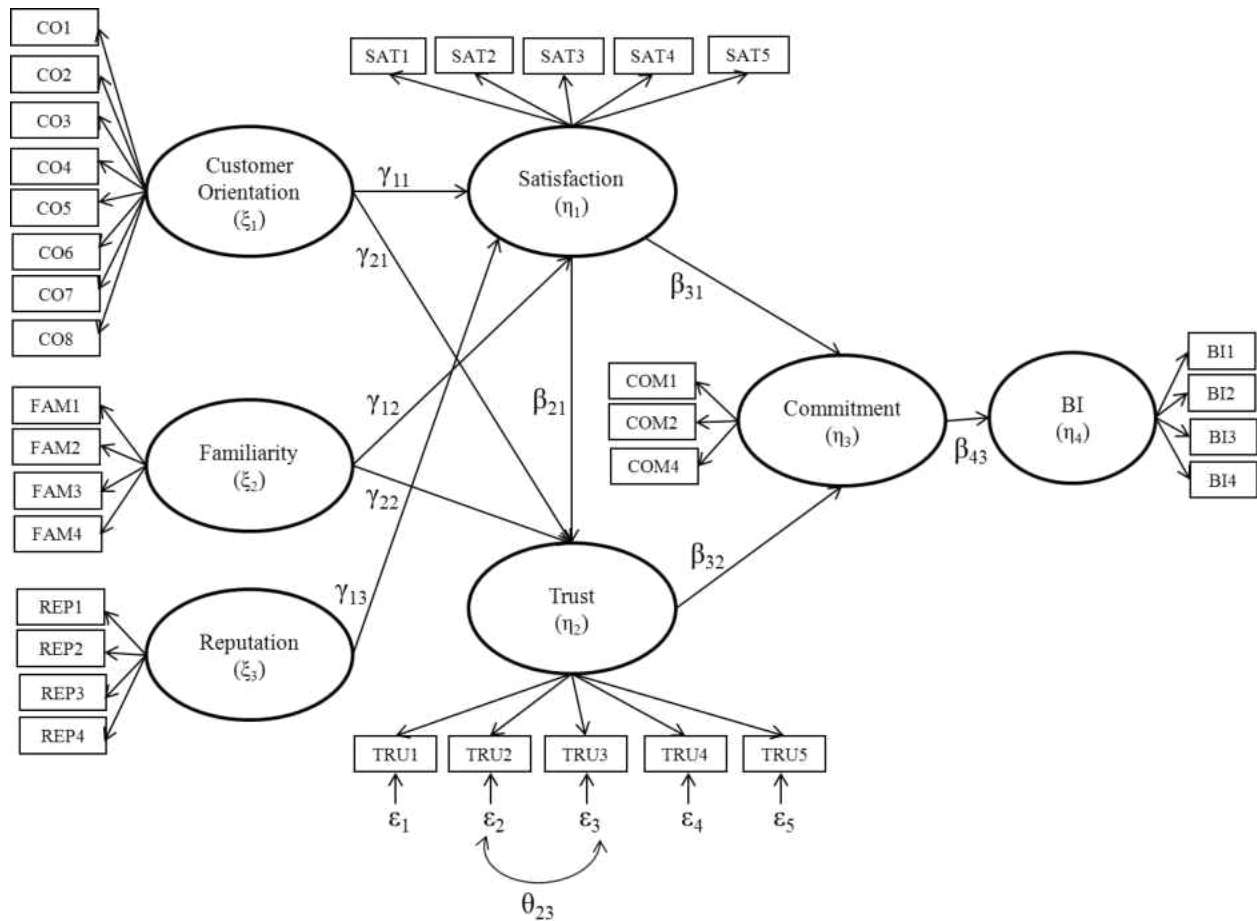
Figure 4. Finalized Structural Model

<u>**Summary of the Chapter**</u>

On the whole, research model for relationship marketing between meeting planners and the destination marketing organizations (DMOs) were empirically explored with the collected data from the three survey groups. Total 404 usable responses were examined to see the profiles

of the respondents, and to test the assumptions for main analytical method in the study, structural equation modeling (SEM). All assumptions were checked and showed no serious violations for SEM. Notably, confirmatory factor analysis (CFA) was conducted to establish the measurement model in each construct and 33 observed indicators were remained for seven constructs of the study. Overall measurement model showed well fit after the modification of adding two parameters that explain error covariance. The cross-validation sample technique was used to see the reliability and validity of the overall measurement model and two samples such as calibration and validation sample presented the replication of result from CFA without serious different modification from each other. Convergent validity was confirmed with the acceptable level of item reliability (.50) and composite reliability (.70) as well as of the extracted variances (.50). Discriminant validity was examined by using Chi-square (χ^2) difference test that was suggested by Anderson and Gerbing (1988) and the χ^2 values of the test showed significant differences between originally hypothesized model (baseline model) and constrained model. Therefore, discriminant validity among the constructs were found and supported.

Finally, structural model was investigated to see whether proposed hypotheses were supported. Eight out of eleven proposed hypotheses were supported by examining the path coefficients between the constructs and the t-values. In hypotheses testing, two new parameters were suggested by modification indices such as constraining error covariance between two observed indicators and establishing a path between reputation and satisfaction that was not proposed in this study. Three hypotheses were not supported with the analysis of the sample in this study. Further discussions are followed in the Chapter Five.

CHAPTER FIVE: CONCLUSION

Introduction

This study was conducted to theoretically develop and empirically test a structural equation model of relationship marketing between DMOs and meeting planners. The proposed hypotheses that attempted to identify the structural relationships between/among the seven constructs in the model were examined through a series of analyses in LISREL. This study was guided by the belief that a DMO's well-established relationship with meeting planners bring practical benefit such as the planners' actual behavioral intentions favorable to the DMO and the relationship is created based on the planners' positive perception of the DMO's customer orientation, familiarity, and reputation . Moreover, the relationship can be measured by the planner's satisfaction, trust and commitment about the relationship with the DMO. Therefore, their perceptions regarding those constructs as well as their intentions were key sources of testing the proposed structural model and hypotheses.

In this study, respondents were limited to the meeting planners who have experiences with any DMO (usually CVB in the United States) in the provided list (Top 25 convention destinations). Consequently, this study focused on major destinations, which have well-built infrastructure for meeting and convention industry, as a study population rather than all the cities in the entire United States because small cities (so-called second-tier one) may have different strategies from the top-tier ones. The major focus of this final chapter is to provide the summary,

discussion, and both managerial and theoretical implications of the findings from the analyses. After then, the limitations of the study are discussed and the chapter concludes with recommendations for future research.

<u>Discussion of the Research Findings</u>

General Findings and Discussion

To begin with the discussion of the research questions, this study overviewed a theoretical background and empirical studies that exist in the literature. The purpose of the study was to develop a theoretical model about a DMO's relationship marketing and to empirically test the constructs that are likely to affect meeting planners' intention of future behavior (endogenous constructs). The exogenous constructs as the antecedents of the RM mediators comprise a DMO's customer orientation, familiarity, and reputation. The structural model of the relationship marketing also addressed the influence of meeting planners' satisfaction, trust, commitment on their favorable behavioral intentions.

The total usable responses in three different data collection sources were 404, after eliminating unqualified responses due to response errors. The respondents were surveyed from diverse sources such as two meeting planners' conferences and an emailing list serve that a state-level DMO provided. The results also revealed that the survey questionnaires were completed from a variety of respondents in terms of meeting planner type, working experience, age,

education and so on. The CVBs in Orlando, Atlanta, Chicago, San Diego, New Orleans, Washington DC, and Las Vegas was selected as most frequently worked with the respondents (at least more than 30% of respondents have experience with the DMOs) while the most recently completed event were quite evenly distributed except for Orlando (17.2% of respondents chose Orlando CVB).

Based on the review of theoretical foundations and empirical studies, the measurement items for each construct were developed and employed to examine the relationships between the constructs. Aside from basic assumption test of the data, the result of examining reliability and validity of the measurement items showed that the measurement items for each construct were reliable and valid regarding the internal consistency and the accuracy of what they were supposed to measure except the deleted third measurement item associated with commitment due to the negative contribution of this item to Cronbach's alpha as reliability index.

As the first step of an analysis of the structural equation model for relationship marketing, confirmatory factor analysis (CFA) was conducted to examine the proposed relationships of the observed indicators to the construct. CFA procedures confirmed that each construct did not showed multidimensionality and the composite reliabilities for each construct were calculated. Those scores were customer orientation (.972), familiarity (.765), reputation (.880), satisfaction (.923), trust (.818), commitment (.831), and behavioral intention (.936). All of these composite reliabilities surpassed the recommended level of .70 (Hair et al, 1998).

Closer examination of the relationships of the remaining observed indicators to the constructs showed that customer orientation was measured by eight indicators that are associated

with the DMO representatives' perceived attitude. For example, consideration for customer's needs, consideration for customer's view, and knowledge of how to treat a customer well were relatively important indicators to measure customer orientation based on the factor loading. According to the modification indices (MI), two parameters were added: one was the error covariance between items 4 and 5, and the other was the error covariance between items 5 and 6. In terms of familiarity, four indicators remained and measured the construct while item 4 (I was not familiar with the CVB before my recent experience) had low factor loading (.429) and the error covariance between item 1 and 2 was added. Therefore, these indicators have relatively low amount of accountability for familiarity and more carefulness needed in CFA for overall measurement model. Reputation that is related to indirect experience with the DMO included four indicators to measure this construct. The indicators that were associated with the peer meeting planners' opinion may not be adequate for targeting meeting planners to measure affective attachment to the DMO.

In terms of meeting planner's satisfaction with the relationship with the DMO, five indicators measured this construct. While other fit indices showed quite well-fitting of the indicators to the construct, the parsimonious fit indices such as PGFI and PNFI showed low level of fit. This may imply that the indicators may decrease (i.e. become more parsimonious) to explain the construct better (Schumacker & Lomax, 2000). For meeting planners' trust on the DMO, five indicators were included and showed the goodness-of-fit except for the parsimonious indices. To achieve the higher degrees of freedom, the indicators can be reduced. However, all the indicators remained because they were empirically approved by literature despite their

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relatively low squared multiple loadings. Especially, MI suggesting the error covariance

between items 2 and 3 was quite large one (MI = 101.1) and it was adopted as an added

parameter in overall measurement model and structural model. After eliminating the third item

in the construct of commitment, three indicators retained to measure the construct. However, the

first item showed very low item reliability (i.e. squared multiple loading) and the measurement

model is saturated and showed the perfect fit (i.e. no degree of freedom). Consequently, the

saturated model can mean that the testing the model with the data may not be generalizable to

other cases (Hair et al, 1998). Lastly, four indicators remained to measure behavioral intention

after eliminating three indicators related to the various services from the DMO although the

fourth indicator (willingness to use destination-meeting services provided by the CVB) showed

low contribution to the construct reliability. Although the indicator showed low indicator

reliability, it showed significantly higher mean score that other deleted items and its importance

was supported by many meeting planners when they were interviewed during the survey

administration.

     After the proposed relationships to the construct were confirmed, the overall

measurement model was conducted to examine whether the individual measurement models fit

the data properly. The CFA procedures employed two split samples (calibration sample, n=191)

and validation sample, n=213). With the calibration sample, the overall measurement model was

re-specified to describe a better-fitting model to the data. Then, the re-specified theoretical

measurement model was validated using the validation sample.

In an ideal world, the results from the validation sample must reproduce the results of the calibration sample. The re-specified model from the calibration model was a theoretical model for the validation sample so that the re-specified model was tested to see if the model depicted the data properly without any critical re-specifications. Through these procedures, after adding two parameters (error covariance between two sets of indicators), 33 indicators remained to measure the seven constructs (Table 22). With these results, the measurement items were confirmed as validated indicators to explain the associated constructs in the sample data. In other words, it has meaning that those questions can be regarded as barometers to measure the quality of the relationship between DMOs and meeting planners. The actual relationship between the constructs will be discussed in the next section by interpreting the results of the hypotheses.

<center>Findings and Discussion about Research Questions</center>

A structural equation model of relationship marketing was utilized to test the hypotheses that attempted to identify the structural relationships between the constructs. Eight of the eleven hypotheses proposed in this study were supported, and those supported hypotheses showed a significant level of t-values and completely standardized coefficient values (Table 30). Detailed discussions of findings mentioned by the research questions are as follows.

The first research question was: Are there positive relationships between RM antecedents and the RM mediating constructs in the meeting and convention industry? This research

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question was divided into five hypotheses: H_1: DMO's customer orientation is positively related to meeting planners' satisfaction; H_2: DMO's customer orientation is positively related to meeting planners' trust; H_3: Familiarity with the DMO is positively related to meeting planners' satisfaction; H_4: Familiarity with the DMO is positively related to meeting planners' trust; and H_5: The DMO's reputation is positively related to meeting planners' trust.

The findings of the structural analysis supported all the hypotheses except for the fifth hypothesis (H_5). Furthermore, the SEM analysis suggested that the there is a positive relationship between reputation and satisfaction. Therefore, this structural analysis concluded that those three exogenous constructs are important to explain the mediating endogenous constructs such as satisfaction and trust that lead to commitment.

As previous research discussed (Brown et al, 2002; Crosby & Stephens, 1987; Dunlap et al, 1988; Ganesan, 1994; Lytle & Timmerman, 2006; Michaels & Day, 1985; Narver & Slater, 1990; Saxe & Weitz, 1982), if customers perceive that their business partners are focused on the customers' needs (i.e. customer-oriented), they are more likely to feel satisfaction and trust in the development of business relationship. In the convention market context, meeting planners have many requests to DMOs in many cases. When they plan the events, they ask for information about convention facilities, accommodations, restaurants, suppliers and contractors, and so on. Even while they are operating their events in the destination, the assistance of the DMO is essential to handling unexpected problems for their VIPs, exhibitors, and attendees in case of city-wide conventions particularly. Considering the nature of the DMO that is not-for-profit organization, the meeting planners would be satisfied and build trust on their long-term

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relationship if the DMO was willing to go extra miles for better services. It was inferred from an interview with a destination service manager in a CVB of a top-tier convention destination. The destination service manager made an incredible effort to find pig kidneys and pig intestines for one of her medical convention and a camel for a meeting planner who needed on to walk up the center aisle of their general session. The meeting planners showed not only satisfied with her efforts but also became long-term partners based on trust. Even if their events were not held in the destination, they asked for other services (housing, registration, etc.) and advices to the DMO while they planned the events (Carolyn Martin, personal communication, September 7, 2010).

In terms of familiarity, the hypotheses were also supported while relatively the t-values and path coefficients showed that they were supported barely. It can be inferred that meeting planners have more possibility to feel satisfaction and trust if they work with familiar DMOs. However, mere familiarization cannot guarantee the long-term relationship that may lead to future intention. As a matter of fact, meeting planners are familiar with many destinations without any direct experience with the DMO because they travel a lot and have good networking to listen to peers' opinions. That is why many DMOs are designing innovative familiarization tour (also known as FAM tour) for meeting planners who are not familiar with the DMO (Fenich, 2008). With other positive perception (e.g., customer orientation), meeting planner's familiarity with the DMO may have synergy effect on the long-term relationship.

Specifically, despite the relationship between reputation and trust discussed in other studies (Gotsi & Wilson, 2001; Gray & Balmer, 1998), the result of SEM analysis demonstrated that the DMO's reputation is associated with satisfaction that was not hypothesized in this study.

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It cast interesting arguments when this result is applied to the market situations in the meeting and convention industry. This study hypothesized the relationship between reputation and trust only, not that between reputation and satisfaction because reputation was related to indirect experience and satisfaction was deemed as the result of direct experience. However, the result showed that, if the DMO that is (or have been) working with the meeting planners obtained better reputation, the planners are more likely to be satisfied with the experience with the DMO. In other words, when the meeting planners heard from their fellow meeting planners in their professional association (e.g., PCMA) or on their online community such as MeCo that the DMO provided excellent services in other events, the meeting planners would be proud of working with the DMO. However, there is a different story that a reputable DMO always provide credible services. Meeting planners may give their trust not based on the DMO's reputation but based on the satisfied results from their own experiences with the DMO. It was also reinforced from interviews with meeting planners when the data was collected at one of meeting planner's conference. The meeting planners in a religious conference association shared their stories with the researcher that they had bad experiences from reputable DMOs because they thought that they did not bring big meetings. They complained about the services of DMOs that were famous for their excellent services. However, if a DMO provided excellent services (or at least equal level of services) for them, they were very satisfied with the experiences related to the DMO. Those reinforced satisfaction may come from the DMO's reputation that may lead to trust and long-term relationship.

In the second research question, this study posited the positive relationship between the RM mediating constructs as many previous studies proposed (Crosby et al, 1990; Dwyer, et al, 1987; Garbino & Johnson, 1999; Moorman et al, 1992; Morgan & Hunt, 1994). Three hypotheses (H_6, H_7, and H_8) stemmed from this research question, and all of them were supported as expected. In detail, sequential paths from satisfaction to trust (H_6) and from trust to commitment (H_8) were confirmed with sufficient t-values and coefficients at the same time the causal relationship from satisfaction to commitment (H_7) were supported. These results were theoretically established and empirically validated by many studies prior to this study, and this study confirmed the results in the context of convention market. It sounded reasonable that satisfied meeting planners would build trust and commitment for the relationship with the DMO. Since Morgan and Hunt (1994) had denominated them as key mediating variables (KMVs), they have been confirmed their interrelationship in many industry segments, and convention industry did not show the differences either.

The third research question was: Are the perceived RM mediators helpful to create meeting planners' favorable behavioral intentions? This research question was addressed by the last three hypotheses such as H_9, H_{10}, and H_{11}. Unexpectedly, the results showed that the first two hypotheses were not supported while the last hypothesis was supported. The findings of the analysis for hypotheses 9 and 10 indicated that there may be no direct relationship between satisfaction and behavioral intention (H_9), and between trust and behavioral intention (H_{10}). It can be inferred that, even if the meeting planners were satisfied with and having trust on the relationship with the DMO, they would not always behave in favor of the DMO. In other words,

they will not show their positive behavior such as favorable word of mouth, recommendation and/or encouragement of their services to other peer planners, and use of the destination services provided by the DMO on account of mere satisfactory and credible relationship with the DMO. It can mean and reinforce the importance of commitment as a mediating construct between those precursory mediating constructs (i.e. satisfaction and trust) and behavioral intention. Although the meeting planners had a satisfied experience with the DMO, they will not sacrifice the short-term benefits (e.g., incentive, kickbacks, rebates, etc.) without a belief that they can have bigger benefits from the long-term relationship with the DMO. Without dedication to continuing relationship with the DMO, likewise, they will not guarantee their favorable future behaviors even if they think that the DMO are a reliable partner and believe that the DMO will be able to do anything that they cannot do by themselves. While the results were not consistent with the findings from existing literature in other industries, those results can be understood considering the fierce competition among the destinations and the nature of DMOs as not-for-profit organizations as well as many other elements for decision making in selecting destination (e.g., rotation policy in host organization, existence of site selection committee, etc.).

This finding indicated that destination marketing organizations should attempt to build commitment as the final stage of their relationship building because the DMOs cannot maintain their customers (i.e. meeting planners) without high level of relationship such as committed rapport.

Implications of the Study

In an increasingly competitive market, an understanding of how relationship marketing can be enhanced and continued is an essential issue in successful destination marketing. Since convention destinations encompass multi-faceted components of destination services and a multiplicity of relationship, a systematic analysis and framework for destination marketing is necessary. This analytical model may also contribute to creating and integrating value-added relationship marketing to accomplish superior destination competitiveness. This study was focused on an investigation of the structural relationships between DMOs and meeting planners as their customers. The most critical research finding from this study was the lack of relationships that was rejected in the SEM hypothesis testing such as H_5, H_9, and H_{10} as well as the strong relationship between determining antecedent factors about relationship marketing (customer orientation, familiarity, and reputation) and the mediating constructs (satisfaction, trust, and commitment). Accordingly, the managerial implications of this study are more focused on a discussion of this finding, rather than focusing on a discussion of the previously validated relationships although the importance of the application of the relationships to convention industry cannot be underestimated.

Subsequently, these research findings may help stakeholders in DMOs such as not only DMO marketers but also members in a DMO (hotels, restaurants, contractors, etc.), policy-makers, and even citizens in local community to understand what kind of marketing activities

meeting planners can develop strong relationship with the destination. These results are likely to help DMOs to collect information and plan appropriate relationship marketing strategies based on the results of the study.

It could be said from the findings of this study that relationship marketing strategies maintained by DMOs may be associated with the competitiveness of the destination in consideration of undistinguishable benefits of destination services from many DMOs. The successful long-term relationship as a competitive advantage can be implemented based on the efforts to build customer-oriented spirit, attempt frequent and beneficial contacts to reinforce familiarity, and promote spreading the story of excellent services. Accordingly, with not only acquiring new customers by these relationship marketing strategies but also maintaining their committed customers by satisfactory and credible return for their commitment, long-lasting solid relationship may be established for the destination.

If closer examination of the findings in this study was being made, it may offer more detailed information and useful sources of managerial applications, because the incorporation of relationship marketing concepts and competitive development strategies may help to enhance destination competitiveness (Bordas, 1994; Kozak, 2001).

More practically, the results cast some points to ponder upon to the DMO management. That is to say, training is one of key elements to success for better relationship because the end product of the DMO is the services provided by the representatives in the DMO. Pike (2004) emphasized that providing added value to selected customers and developing a philosophy of cultivating long-term mutually beneficial relationships may stem from organizational culture

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fostered by employee training. In other words, it can start with the recognition that the DMO employees recognized that the relationships are necessary for both meeting planners and themselves. This acknowledgment is supposed to build organization culture to focus on selection of core customers for maximum return and enabling them not to have myopic perspective (Pike, 2004). In addition, DMOs should make efforts to get familiarization beyond mere familiarity (i.e. superficial knowledge with destination). For example, meeting planners need and want more detailed information on what may please their exhibitors and attendees such as unique elements in a certain destination. Providing differentiating familiarization trips, which explain unique features in their destination, to meeting planners can make the planners satisfied with the relationship that ultimately lead to long-term beneficiary bond based on trust between them. As aforementioned, Visit Orlando's Client Advisory Board can be a good example of differentiating familiarization trips. Furthermore, marketing activities that spread out their exceptional practices should be delivered not only to new customers but also to existing customers, who are working with or at least have worked with the DMO.

In that sense, it is noticeable to look into the relationship marketing activities of Visit Orlando, the DMO in a top-tier destination. To say nothing of their phenomenal employee training that resulted in many meeting planners showed their thumbs up for the customer-oriented mind, the DMO have provided a unique FAM trip such as 'client advisory board' for many business partners including meeting planners. During this annual event, the DMO could not only listen to the clients' opinion about their services but also offer networking opportunity to establish deeper interaction than familiarization. Moreover, the DMO are communicating with

their customers through social media such as facebook, twitter, flicker, and so on. The use of new media is effective considering that meeting planners have tendency to be early adopter in technology and the ability of the media to spread out word of mouth is remarkable (that is why it can be called word of mouse).

The findings of the study may contribute to academia as well. This study found the statistically significant relationships between three exogenous constructs and relationship marketing constructs suggested by Morgan and Hunt (1994). Furthermore, this study extends the model to an ultimate endogenous construct (i.e. behavioral intention) and provide comprehensive relationship marketing model for convention market. The empirically tested results would be the pavement to build a more rigorous relationship marketing model for destination competitiveness. The verification of measurement items for each construct can also be a contribution of this study in body of knowledge in destination marketing research. Their reliability and validity as scales for the constructs were demonstrated by confirmatory factor analysis, convergent and discriminant validity tests. It implies that the model of the study proved that the relationship marketing framework can be applied to the newly developed industry such as meeting and convention market.

Additionally, the findings from rejected hypotheses can imply the mediating effect of satisfaction to trust (H_5) instead of direct impact of reputation on trust, and of commitment to behavioral intention (H_9 and H_{10}) instead of direct impact of satisfaction and of trust on behavioral intention. In the unique characteristic of the industry, the inferences were explained.

While this implication needs to be discussed in other data, it is a noticeable assertion to show the different system of convention business from that of other industries.

In conclusion, as recommended in other studies (Crosby et al, 1990; Dwyer et al, 1987; Ganesan, 1994; Lee & Hiemstra, 2001; Morgan & Hunt, 1994; Tax et al, 1998), the findings of this research supported that appropriate relationship marketing and destination marketing activities may help to create long-term mutually beneficial relationship with the meeting planners so that the DMOs could achieve better competitive market environments and positions. Therefore, DMOs may need to understand what combinations of marketing activities and destination competitive strategies can achieve more favorable relationships with meeting planners as a competitive advantage for convention destinations.

Limitations and Recommendations for the Future Research

Since there is no perfect research study, limitations to this study were found and should be mentioned to inspire more rigorous future studies. The major limitations resulting from this study are as follows: 1) sampling issues of the study, 2) selected observed variables and constructs, 3) lack of other key players' opinions, 4) issues from cross-sectional study, 5) methodological issues, and 6) the interpretation of SEM results.

This study investigated the structural relationships of relationship marketing constructs from meeting planners' perspectives. While a sample was collected in an international conference, the most of the surveyed data were collected in the state of Florida because another

conference was held in a city in west-central part of the state (most of attendees looked the regional residents near by Florida) and online survey was sent out from the emailing list of a state-level of DMO in Florida. This geographically limitation may produce different results and conclusions in terms of the magnitude and directions of relationships among the constructs studied in this research. Meeting planners in other states and countries may have different perceptions and behaviors regarding relationship marketing and DMO's strategies. Other geographical boundaries and research scopes should be considered to check whether dissimilar findings and results could be drawn. In that sense, future investigations may gather data from other states and countries so that the studies can be conducted to compare the results.

This study has been slightly limited in its choice of observed indicators, variables, and constructs. Although those observed indicators, variables, and constructs were selected based on the literature review, other important variables and constructs may be present to accomplish further insights of relationship marketing. For example, more specific variables and constructs that discuss various factors that can influence relationship were limited. The various variables and constructs that are related to organizational issue (power, structure, and culture) or sociological issues (justice, opportunism, social norms, etc.) were abbreviated. Therefore, future studies may need to include other issues to complement the scope of the study.

Respondents in the study can be another limitation. In general, in the convention industry, DMO stakeholders may include convention tourists and local members such as people who are involved in organizations, associations, contractors, and attractions. However, this study did not include other stakeholders' opinions of destination marketing strategies. For that reason,

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compared with the respondents (meeting planners) surveyed in this study, other stakeholders may show different perceptions and behaviors on the subject of the issues and topics expressed in this study. Therefore, for more comprehensive and thorough examinations of relationship marketing strategies agreed by all the stakeholders, future research is recommended to include broader aspects from attendees and local members in DMOs. Conducting studies that embrace comparisons and differences between/among the DMO stakeholders in terms of destination marketing strategies may be thinkable.

To a certain extent, this study also is limited in terms of longitudinal features that may cause the potential time-lag for the hypothesized relationships and structural model. This cross-sectional aspect of this study may ascribe to the data collection for a four-month period (January for surveys at conferences and April for online survey, 2011). Each measurement items for the constructs may be refined and validated in the replication of the study. This study might reflect continuing renovations that could have an impact on the relationships between the constructs for future study. Furthermore, a longitudinal analysis of the structural model of relationship marketing may release what determining factors affect more critical for enhancing long-term relationship between DMOs and meeting planners.

In terms of methodology, there are two controversial issues in this study. First, this study combined the data from two different types of survey, which were paper-based questionnaire survey and internet-based questionnaire through an online survey website. Because two methods used the same questionnaires (at least the same questions) although those questionnaires may look different, they can be aggregated for the analysis. However, it may be vulnerable to the

attack on their homogeneity as a research instrument. In the analysis, some of measurement items as indicators for constructs showed lower level of factor loadings and square multiple loadings (i.e. item reliability) but they remained because of the theoretical background as the indicators. While the decisions can be subjective in SEM analysis based on the theoretical support and view of the researcher, the decisions may cause arguments and disagreements on the validity of the indicators. Accordingly, those items may be considered to be deleted or composited with highly correlated items in the future investigations.

Finally, this study should admit that some of the results from SEM analysis can be problematic when the results were interpreted. Whereas this study did not hypothesize the relationship between reputation and satisfaction, the result from LISREL suggested modifying the model by adding the path between them because the modification index (MI) of the new parameter was the biggest one. While the re-specified model showed the acceptable fit after the modification and this study provided the inference on that, the justification of the relationship was not supported by previous literature. So, the relationship needs to be considered carefully and tested through a relevant literature review and an empirical examination in the future studies. In addition, the measurement model for commitment turned out to be a saturated model, which showed the perfect fit. While the indicators did not demonstrate a serious problem when they were tested in the CFA of the overall measurement model and the structural model, the measurement model for commitment can be regarded as not being able to test the model properly with the data and it cannot be generalizable (Hair et al, 1998). In future studies, the sufficient number of measurement items should be considered and included to avoid this issue. The issue

of a saturated model can be applied to the measurement model for behavioral intention (BI).

Originally, the model for BI had seven items to measure the construct but three of the indicators were eliminated for their low indicator reliabilities. However, the fourth item was maintained because the destination meeting management services were the core part of the DMOs' role not only supported by the interviews of meeting planners but also by the literature (Fenich, 2008; Pike, 2004). If the indicator were removed from the model, the model for BI would be also saturated. Therefore, even though the indicator had relatively low item reliability (.270), its t-value was larger than the critical value at the alpha level (.05) and the researcher decided to maintain the item to measure the latent construct, BI. Nevertheless, the item only represents the aspect of a DMO as a service provider while other items represent the role as a pivotal marketing organization for the destination. Thus, this aspect should be considered more carefully by providing sufficient measurement items for the construct or separating another construct from BI (it may mean that BI should be divided into few sub-constructs such as willingness of positive word of mouth, willingness to revisit, and willingness to use services provided by the DMOs) in the future study.

As a result, the aforementioned limitations should be regarded as critical and valuable recommendations for future study. Future studies should take into consideration these limitations to yield more rigorous results.

Conclusion

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While there are many studies have been examined on relationship marketing, a few empirical studies were developed in the convention destination marketing. For that reason, this study developed and empirically verified a structural equation model of relationship between DMOs and meeting planners along with investigating the measurement items and the relevant constructs from the perspectives of meeting planners. Hence, as discussed in the research findings, it is anticipated that this study has made meaningful contributions to the knowledge and understanding about the relationship marketing in convention industry.

On the basis of the results from the comprehensive data analyses, this study may possibly conclude that in successful relationship marketing for destination competitiveness, a more in-depth understanding of meeting planners' perception and behaviors toward destination marketing organizations ought to be completed. As main target audiences in destination marketing activities, their inclinations about relationship marketing and perception of destination marketing organizations should be investigated so that more competitive destination marketing and long-term mutually beneficial relationship can be attained.

As a final point, despite the fact that the results and findings of this study are to some degree exploratory in nature, it is hoped that the information generated and the implications of the study may be helpful to meeting planners, marketers, and other stakeholders in destination marketing (e.g., policy-makers) to establish more valuable relationship for all the entities.

APPENDIX A: COVER LETTER

Research Project: Exploring Customer Relationship Marketing by CVBs

Dear respondents

We are studying the Convention and Visitors Bureau's (CVB's) marketing strategy to build relationships with you as a meeting planner. Your participation would be valuable to our study.

This questionnaire will take approximately 5-10 minutes of your time. Your participation in the study is voluntary. Consent for use of your response is implied when you submit your survey. This survey is anonymous. You may refuse or stop participating at any time during the research. You will not be able to withdraw from this study once you have submitted the questionnaire, as we will be unable to identify which questionnaire is yours. All records will be stored in a secured storage at University of Central Florida (UCF) for at least three years after completion of the study. After the storage time, the information will be destroyed. If you would like a copy of the results, please contact us by e-mail to the addresses as directed below.

Research at the University of Central Florida is conducted under the oversight of the UCF Institutional Review Board. Questions or concerns about research participants' rights may be directed to the IRB office, University of Central Florida, Office of Research & Commercialization, 12201 Research Parkway, Suite 501, Orlando, FL 32826-3246. The telephone number is (407) 823-2901.

If you have any questions, feel free to contact us - Jumyong (Stephen) Lee: (407) 903-8183, or Dr. Deborah Breiter: (407) 903-8021.

Thank you for your time and consideration. Your participation is greatly appreciated.

Sincerely,

Jumyong (Stephen) Lee   Deborah Breiter, Ph.D.
PhD Candidate   Professor
University of Central Florida   University of Central Florida
jumyong@mail.ucf.edu   182   dbreiter@mail.ucf.edu

APPENDIX B: SURVEY INSTRUMENT

[Section I] Preliminary Questions

1. Which of the following CVBs did you send a RFP to, negotiate with, and/or contract with during the past five years (2005 ~ 2010)? (Check all that apply)

☐ Anaheim	☐ Denver	☐ Miami	☐ Philadelphia	☐ San Diego
☐ Atlanta	☐ Honolulu	☐ Nashville	☐ Phoenix	☐ San Francisco
☐ Boston	☐ Houston	☐ New Orleans	☐ Portland	☐ Seattle
☐ Chicago	☐ Las Vegas	☐ New York	☐ Salt Lake City	☐ St. Louis
☐ Dallas	☐ Los Angeles	☐ Orlando	☐ San Antonio	☐ Washington, DC

2. Which CVB did you work with for your most recently completed event?
(Check only ONE box)

☐ Anaheim	☐ Denver	☐ Miami	☐ Philadelphia	☐ San Diego
☐ Atlanta	☐ Honolulu	☐ Nashville	☐ Phoenix	☐ San Francisco
☐ Boston	☐ Houston	☐ New Orleans	☐ Portland	☐ Seattle
☐ Chicago	☐ Las Vegas	☐ New York	☐ Salt Lake City	☐ St. Louis
☐ Dallas	☐ Los Angeles	☐ Orlando	☐ San Antonio	☐ Washington, DC

Based on the experience with the CVB you checked in Question 2, please answer the questions in the following sections by using the following scale.
(1 = Strongly Disagree, 2 = Disagree, 3 = Neither Agree nor Disagree, 4 = Agree, 5 = Strongly Agree.)

[Section II]
Please rate the following statements about the CVB representatives.

	Strongly Disagree ⟶ Strongly Agree
1. The CVB representatives understand what I want most.	1 ---- 2 ---- 3 ---- 4 ---- 5
2. The CVB representatives are willing to go beyond their standard procedures to fulfill my wishes.	1 ---- 2 ---- 3 ---- 4 ---- 5
3. The CVB representatives continuously search for new ways to give prompt service to me.	1 ---- 2 ---- 3 ---- 4 ---- 5
4. The CVB representatives care about me.	1 ---- 2 ---- 3 ---- 4 ---- 5
5. The CVB representatives consider my needs.	1 ---- 2 ---- 3 ---- 4 ---- 5
6. The CVB understands that I am important to the success of the destination.	1 ---- 2 ---- 3 ---- 4 ---- 5
7. The CVB representatives are able to consider my perspective.	1 ---- 2 ---- 3 ---- 4 ---- 5
8. The CVB representatives know how to treat a customer well.	1 ---- 2 ---- 3 ---- 4 ---- 5

[Section III]
Please rate the following statements about your interaction with the CVB.

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	Strongly Disagree	Strongly Agree

1. I have worked with the CVB many times in the past. 1 ---- 2 ---- 3 ---- 4 ---- 5
2. I am a frequent client of the CVB. 1 ---- 2 ---- 3 ---- 4 ---- 5
3. I am familiar with the CVB's services. 1 ---- 2 ---- 3 ---- 4 ---- 5
4. I was not familiar with the CVB before my recent
   experience. 1 ---- 2 ---- 3 ---- 4 ---- 5
5. The CVB has a reputation for good services. 1 ---- 2 ---- 3 ---- 4 ---- 5
6. The CVB has a reputation for being concerned about
   their clients. 1 ---- 2 ---- 3 ---- 4 ---- 5
7. Most planners would like to work with the CVB. 1 ---- 2 ---- 3 ---- 4 ---- 5
8. The CVB has a bad reputation in the industry. 1 ---- 2 ---- 3 ---- 4 ---- 5

[Section IV]
Please rate the following statements about your experience with the CVB.

Strongly Disagree   Strongly Agree

1. I was satisfied with the services of the CVB. 1 ---- 2 ---- 3 ---- 4 ---- 5
2. My experiences with the CVB were not pleasant. 1 ---- 2 ---- 3 ---- 4 ---- 5
3. Compared to other CVBs, I am very satisfied with this CVB. 1 ---- 2 ---- 3 ---- 4 ---- 5
4. Based on my experience with this CVB, I am very satisfied. 1 ---- 2 ---- 3 ---- 4 ---- 5
5. My experiences with the CVB have always been pleasant. 1 ---- 2 ---- 3 ---- 4 ---- 5
6. The CVB can be relied upon to keep their promises. 1 ---- 2 ---- 3 ---- 4 ---- 5
7. There are times when I find the CVB to be insincere. 1 ---- 2 ---- 3 ---- 4 ---- 5
8. I find it necessary to be cautious in dealing with
   the CVB. 1 ---- 2 ---- 3 ---- 4 ---- 5
9. The CVB is trustworthy. 1 ---- 2 ---- 3 ---- 4 ---- 5
10. I trust the CVB to do things I cannot do for myself
    in the destination. 1 ---- 2 ---- 3 ---- 4 ---- 5
11. I am committed to working with the CVB. 1 ---- 2 ---- 3 ---- 4 ---- 5
12. I am willing to sacrifice short-term incentives from other
    CVBs to get long-term benefits from this CVB. 1 ---- 2 ---- 3 ---- 4 ---- 5
13. I would look for another CVB as a business partner
    even if it costs time or money. 1 ---- 2 ---- 3 ---- 4 ---- 5
14. I am dedicated to continuing my relationship with the CVB. 1 ---- 2 ---- 3 ---- 4 ---- 5

[Section V]
Please rate the following statements about your intention regarding the CVB.

Strongly Disagree   Strongly Agree

1. I will say positive things about the CVB to other people. 1 ---- 2 ---- 3 ---- 4 ---- 5

2. I will recommend the CVB to someone who seeks my advice.   1 ---- 2 ---- 3 ---- 4 ---- 5
3. I will encourage colleagues to do business with the CVB.   1 ---- 2 ---- 3 ---- 4 ---- 5
4. I will use destination-meeting services provided by the CVB.   1 ---- 2 ---- 3 ---- 4 ---- 5
5. I will use housing management services provided by the CVB.   1 ---- 2 ---- 3 ---- 4 ---- 5
6. I will use registration system services provided by the CVB.   1 ---- 2 ---- 3 ---- 4 ---- 5
7. I will use temporary workers procured by the CVB.   1 ---- 2 ---- 3 ---- 4 ---- 5

[Section VI]
Please consider each of the following CVB's marketing activities and rate how important each is for the CVB to build a relationship with you. (1 = Not at all important, 5 = Extremely Important.)

	Not at all important	Extremely Important
1. Personal Sales Call	1 ---- 2 ---- 3 ---- 4 ---- 5	
2. FAM Tours	1 ---- 2 ---- 3 ---- 4 ---- 5	
3. Site Inspections Assistance	1 ---- 2 ---- 3 ---- 4 ---- 5	
4. Sales Trips	1 ---- 2 ---- 3 ---- 4 ---- 5	
5. Social Media Communication	1 ---- 2 ---- 3 ---- 4 ---- 5	
6. Client Events	1 ---- 2 ---- 3 ---- 4 ---- 5	
7. Providing Complimentary Services	1 ---- 2 ---- 3 ---- 4 ---- 5	

[Section VII] Background Information
All responses to this questionnaire are strictly confidential; only statistical findings will be analyzed. Thank you again for your participation in this survey.

1. Which type of meeting planner are you?
☐ Association meeting planner   ☐ Corporate meeting planner
☐ Third party meeting planner   ☐ Others (specify: _____)

2. How many years have you been planning meetings? (years)

3. Approximately how many meetings do you plan per year? (   )

4. Gender: ☐ Male   ☐ Female

5. Age: When were you born?
☐ Born before 1946   ☐ Born between 1946-1964
☐ Born between 1965-1979   ☐ Born after 1980

6. What is the highest grade or year of school that you have attended, even if you did not complete that grade or year?

☐ Below high school degree
☐ High school diploma
☐ Two-year college degree (e.g., Associate degree)
☐ Four-year college degree (e.g., Bachelor's degree)
☐ Master's degree
☐ Doctoral degree

** Thank you for your time in completing this questionnaire. **

APPENDIX C: UCF IRB NOTICE OF EXEMPTION

University of
**Central
Florida**

Approval of Exempt Human Research

From: **UCF Institutional Review Board #1
FWA00000351, IRB00001138**

To: **Jumyong Lee**

Date: **January 05, 2011**

Dear Researcher:

On 1/5/2011, the IRB approved the following activity as human participant research that is exempt from regulation:

Type of Review:	Exempt Determination
Project Title:	Customer relationship marketing by Destination Marketing Organizations: Does it lead to favorable behavioral intentions of meeting planners?
Investigator:	Jumyong Lee
IRB Number:	SBE-10-07349
Funding Agency:	
Grant Title:	
Research ID:	N/A

This determination applies only to the activities described in the IRB submission and does not apply should any changes be made. If changes are made and there are questions about whether these changes affect the exempt status of the human research, please contact the IRB. When you have completed your research, please submit a Study Closure request in iRIS so that IRB records will be accurate.

In the conduct of this research, you are responsible to follow the requirements of the Investigator Manual.

On behalf of Joseph Bielitzki, DVM, UCF IRB Chair, this letter is signed by:

Signature applied by Joanne Muratori on 01/05/2011 12:04:41 PM EST

Joanne Muratori

IRB Coordinator

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