

## Determinants of convention attendees' willingness to pay for additional programs

### Abstract

Prior to developing addition programs in a convention a convention organizer wants to identify attendees' willingness to participate in the program. One of the most important factors which lead to their participation is price. Therefore, this study aimed to explore factors which can determine convention participants' willingness to pay for additional programs. According to the results of binary logistic regression analysis, attendees who wanted to expand their knowledge and socialization showed a willingness to pay for extra programs for post-conference local tours. Based on investigating the significance level ( $p < .001$ ) women showed a higher intention to pay for the extra programs than men did. Those who had their own company had a higher intention to pay for the 1:1 private golf lesson with a former LPGA star than did those who were working for a private company or others. Results of this study help development of additional programs in a convention.

**Keywords:** willingness to pay (WTP), convention, program, acceptance, benefit

### Introduction

In order to increase attendees' engagement in a convention and improve their satisfaction level, convention organizers need to offer programs that provide attendees with additional benefits. In fact, attendees' willingness to pay (WTP, hereafter) for convention programs provides critical information for convention organizers. Determinants to predicting WTP include the potential benefits from attending a conference, such as for educational purposes, networking, socialization, career development, and travel to the convention destination (Jung & Tanford, 2017; Rittichainuwat et al., 2001; Severt et al., 2009; Tanford & Montgomery, 2015). The benefits sought from convention attendance are determinants for reinforcing conference attendees' loyalty (Ngamson & Beck, 2000; Tanford et al., 2012). Thus, it is important for convention organizers to understand what benefits of convention attendance will satisfy attendees.

The opportunity for education is a crucial benefit to convention attendees, including in the forms of conference presentations, acquisition of new knowledge, and gaining an understanding of new trends (Tanford & Montgomery, 2015). Previous studies have found that the relationship

between educational opportunities and attendance satisfaction is significantly positive (Severt et al., 2007). In addition, because many convention attendees seek the benefits of traveling to an unfamiliar destination and enjoying destination-specific additional opportunities and post-conference tour programs, studies of conference management and marketing have found such features to be essential (Go & Govers, 1999; Kim et al., 2012; Oppermann, 1995; Tanford & Montgomery, 2015).

Favorable experiences can be augmented by benefits to attendees arising from the presence of additional enjoyment opportunities, such as shopping, health care, local attractions, and recreational activities (Crouch & Louviere, 2004; Oppermann & Chon, 1997; Yoo & Chon, 2008). Attendees' perceptions of their experience have been determined to be a critical factor in establishing loyalty, and that loyalty makes conference attendees less price sensitive and reduces their switching cost (Skogland & Siguaw, 2004; Tanford et al., 2012).

Moreover, particular demographic and psychographic factors may affect differences in people's willingness to pay (Reynisdottir et al., 2008). Although a few studies have examined the determinants of convention expenditure, some studies have implied that attendees' gender, income, nationality, group size, age, and number of visitations influence the amount of their expenditures (Barquet et al., 2011; Brida et al., 2013; Rao, 2001; Kim et al., 2010; Wicker et al., 2012). The past studies examined the amount of expenditure in the context of domestic event participants. However, visitors' spending was already implemented at the event venue, while the WTP is designed to request their intention in the foreseeable future. Therefore thy study was purposed to identify the WTP before their participation and the findings of this study can help to understand whether a new program will be more preferred. In addition, influential determinants can be taken into consideration when convention organizers implement fee policies for convention programs.

Even though association meetings have diverse characteristics in consisting of budget sources, registration fee and extra fees are main sources of organizing a meeting (Rittichainuwat, Beck & Lalopa, 2001). This study will apply the WTP theory to an association meeting market to identify psychological responses of attendants to pricing of extra programs. Because few studies have investigated the determinants of convention attendees' WTP for additional programs, this study aimed to examine key determinants of that WTP. In order to achieve our objective, the first step was to identify the dimensionality of the benefits sought by convention attendees. Our second goal was to investigate the effects that the benefits sought had on convention attendees' WTP for additional programs. Third, this study aimed to identify the effects of convention attendees' sociodemographic and job-related profiles on their WTP for additional programs. Finally, the study sought to examine the effects that attendees' loyalty to conference participation had on their WTP for additional programs. This study was performed to identify which additional programs will be adopted at the annual APAA (Asian Patent Attorneys Association) conference in Busan, Korea, in 2021.

### **Willingness to pay and WTP amount**

Price is defined as the maximum amount that a customer is willing to pay for a product or service. The difference between WTP and the real price of a product is known as the customer surplus (Masiero et al., 2015; Wicker & Hallmann, 2013). Estimating the WTP for a product or service is vital in deciding competitive strategies for pricing, product development, or targeted promotions, because WTP represents a key element of consumer demand (Johnson and Cui, 2013). Willingness to pay is a widely applied estimator for customer demand, and thus it reflects a person's economic valuation of the good in question (Hanley et al., 1997). The price represents what is relinquished by the customer (generally money and time) and plays a vital role in the overall perceived value

of a product or service. Major topics associated with WTP in the tourism literature relate to the luxury tourism price premium (Adhikari, 2015; Ioana-Daniela et al., 2018), nature-based tourism (McCreary et al., 2018), and sustainable tourism (Farr et al., 2016; Hultman et al., 2015; Witt, 2019).

As an example, Adhikari (2015) investigated the WTP price premium for experience products that combine subjective and objective attributes. According to that study's results from a survey collected from 315 Indian respondents, customers were willing to pay significantly more for subjective (emotional) attributes than for objective (cognitive) attributes. In other research, Farr et al. (2016) investigated tourists' WTP to improve water clarity near the Great Barrier Reef. Their study assessed WTP by using scenarios that described water clarity problems and solutions. According to responses from 495 tourists, those who had a relatively low income, were young, had a high level of education, and were planning to visit again in the future demonstrated a WTP for water clarity near the Great Barrier Reef.

### **Benefits sought as factor affecting the WTP for conference attendance**

Among the many benefits commonly obtained from attending a convention, attendees seek profession-related learning, professional education, and social networking (Oppermann, 1995; Oppermann & Chon, 1997; Price, 1993; Rittichainuwat et al., 2001). Conference attendees have the basic goal of gaining skills and knowledge (Oppermann & Chon, 1997). Previous studies have indicated that the relationship between educational opportunity and attendance satisfaction is significantly positive (Kim et al., 2012; Severt et al., 2007; Tanford & Montgomery, 2015). For example, Kim et al. (2012) examined behavioral intentions at three academic conventions and

confirmed that “professional education” was a strong influencing factor for perceived program value.

Second, convention attendees pursue social benefits because they want to mingle and socialize with other attendees (Brown, 2001). Preliminary studies have identified a positive relationship between networking and convention behavioral intention (Jung & Tanford, 2017). Previous research has indicated that attendees are motivated to attend a convention to develop their social network and professional contacts, keep up with changes, and acquire new knowledge and ideas (Oppermann, 1998; Oppermann & Chon, 1997; Severt et al., 2007; Yoo & Chon, 2008). Furthermore, a convention generates business opportunities for attendees (Kim et al., 2008; Oppermann, 1995). Consequently, many attendees choose a conference that provides the best opportunities for vocational education and social networking (Tanford & Montgomery, 2015). Career development is also a strong motivation to attend a conference, because networking opportunities can provide job opportunities, information exchange, and career guidance (Yoo and Zhao, 2010).

Third, convention attendees seek post-conference tour benefits. Ngamson and Beck (2000) examined the motivations, inhibitors, and facilitators of association members, and their findings suggested that destination-related attributes include historical spots, local cuisines, water sports, sightseeing, shopping, favorable climate, safety, accessibility, and available activities for family members. Destination-specific constructs (such as extra convention opportunities, accessibility, and site environment) have been acknowledged as dimensions of convention quality (Kim et al., 2012; Kim et al., 2016).

## **Sociodemographic and job-related profiles as factor affecting the WTP for conference attendance**

The most prominent convention-attendance equity argument revolves around whether fees discriminate against low-income individuals. A logical assumption is that WTP is, at least to some extent, affected by people's ability to pay. Because a problem arises when attendees with low ability to pay may still strongly value a visit, in one study convention attendees showed the highest expectation of a fee or cost discount from which they could obtain a direct financial benefit (Tanford & Montgomery, 2015). In another study, because attendees normally were supported by their companies, they were unlikely to increase their own spending (Wang & Lee, 2011). According to Kim et al.'s (2010) results from adopting a Tobit model to predict the amount of expenditure people were willing to make, event participants with a relatively higher educational level tended to spend more on shopping than did participants with a lower educational level. Meanwhile, Wicker et al.'s (2012) study found that those who were at the high end of the income spectrum and were foreign visitors spent more than others did on marathon events.

Several other factors can also influence WTP, such as gender, group size, age, and the number of visitations. Brida et al. (2013) discovered that male respondents spent more than females did on an event, and those who were relatively older and had a medium-high income level tended to spend more on the event. Another study on event attendance expenditures identified that the educational level of the respondents' parents and the respondents' number of young children were influential determinants in increasing event expenditure in the context of an Indian village festival (Rao, 2001). Additionally, a study regarding expenditure on winter sport events revealed that having a high income, participating in a first-time visitation, and having young children had

positive impacts on expenditure, whereas the size of the group had a negative impact on expenditure (Barquet et al., 2011).

### **Loyalty to conference participation as factor affecting the WTP for conference attendance**

Loyalty can be defined as an attendee's commitment to a conference over a long period of time (Tanford & Montgomery, 2015). Loyalty can be measured as affective, behavioral, or combined (Jung & Tanford, 2017). Revisit intention is a frequently employed loyalty measure (Jung and Tanford, 2017; Severt et al., 2007; Shugan, 2005; Yoo & Zhao, 2010). Previous studies have found that customers who were loyal toward a product or service were less price sensitive and showed a low switching cost (Skogland & Siguaw, 2004; Tanford et al., 2012). If a conference attendee is loyal to the conference or host association, he/she will tend to overcome the incurred cost, even though the participation cost of the conference plays a crucial role in decision-making about whether to attend. A person's budget for attending a conference includes the costs of transportation, accommodations, registration fees, and others. Attendees' intention to attend an event decreases when either the monetary or the nonmonetary costs exceed a certain acceptance level (Lee & Fenich, 2018; Severt et al., 2007).

### **Measurements**

From the literature review, this research generated an initial pool of 50 items that related to benefits from attending a conference (Oppermann & Chon, 1997; Rittichainuwat et al., 2001; Shugan, 2005; Tanford & Montgomery, 2015). Because the items in the list of benefits sought shared similar meanings, this research attempted to combine items in accordance with *a priori* categorized domains. Focus group meetings that included 10 meeting planners were conducted twice to review

the list of benefits and were ultimately able to reduce the number of benefit items to 34. In addition, five attendees of previous conferences, two professors, and two staff members that were affiliated with a professional conference organizer (PCO) that will host a conference in 2021 helped develop five additional programs for the annual APAA conference scheduled to be held in 2021 in Busan, Korea.

In November 2017, we conducted a pilot study through a face-to-face personal contact at the on-site APAA convention in Auckland, with 170 convention attendees from more than 70 countries, and we identified several implications. This study used a semi-structured questionnaire which were developed based on literature review and pre-tests to have interviews with pilot study respondents. First, the attendees showed a higher purchasing demand than did attendees of association meetings. Second, networking opportunities were considered a top motivation for attending that conference. Third, a more detailed description of the given programs was needed. Fourth, intervals of the WTP amount should have been provided in a main survey, because open-ended questions asking respondents about their WTP amount were blurry in identifying the amount of WTP. Fifth, the respondents liked five extra programs. Finally, a final version was confirmed for the main survey that would reflect the demands of APAA conference attendees.

### **Data collection for the main survey**

The APAA is a nongovernmental organization of patent attorneys that promotes and enhances intellectual property protection in Asia, including in Australia and New Zealand. The APAA's annual conference was chosen for this study for two reasons. Firstly, conference attendees have a strong need to join additional programs aside from the main conference. The programs are designed to extend the attendees' professional knowledge and provide them with enjoyable tourist



attractions in a conference host city. Secondly, the association's members can afford to take part in the extra programs.

A main survey was conducted by using two approaches: an online survey and an on-site survey. First, between May and October 2018, emails were sent six times to attendees at a previous conference. An average of 27.3% of potential conference attendees opened the email, and 170 responses in total were returned, for a response rate of 19%. The on-site survey was conducted from November 17 to 20, 2018, in New Delhi, India, where that year's APAA annual conference was held. The researchers and their colleagues distributed 280 questionnaires, along with an offering of small gifts. In that process, during a tea break, lunchtime, and before the start of the session, a person-to-person explanation was offered to expound the objectives of this research. A total of 150 delegates returned their questionnaires during the duration of the conference. Out of 320 questionnaires garnered through the online panel and on-site surveys, 56 were disqualified for incompleteness or insincerity. As a result, 264 questionnaires were used for further analyses.

## **Results**

The demographic profile of the respondents is summarized in Table 1. More than half of the respondents (67.4%) were males. The respondents were mostly in their 50s (31.0%) and 40s (23.7%). Concerning their occupation, patent attorneys made up the highest percentage (48.1%), followed by lawyers (36.6%). Regarding their work situation, a majority were employed in a private company (57.1%), whereas others had their own company (32.4%). Their average work experience was 21 years. A majority of the self-reported positions were either CEOs (34.1%) or high-level managers (32.8%). Of the respondents, 47.0% were Asian, whereas 39.4% were Westerners. High annual household incomes characterized many of the respondents, 19.5% of

whom reported incomes of more than US\$300,000, followed by 14.3% who made US\$50,000 to US\$100,000.

Attendance information for the APAA convention is summarized in Table 2. More than half of the respondents (54.0%) were attendees, whereas 35.0% were observers. Many (62.4%) had participated in this conference four or more times. The respondents felt sensitive to the costs incurred by participation in such international conferences (mean=3.66), and they felt that these types of international conference were important in their career (mean=4.15). They answered that they were loyal to the APAA (mean=4.11), and their level of willingness to attend an annual APAA conference had a mean score of 4.34.

[TABLES 1 & 2 HERE]

The exploratory factor extraction method we used was principal component analysis (PCA), whereas we adopted the varimax rotation method to maximize the variance of the loadings. The main reason for adopting exploratory factor analysis was to reduce the number of items relating to benefits sought. However, six items (“to enjoy social functions,” “to feel a sense of community,” “to experience local culinary classes,” “to experience traditional costume wearing,” “to experience tableware-making classes,” and “to get myself refreshed”) were deleted because their factor loadings were below the .40 factor-loading criterion (Field, 2005) or the .40 communalities criterion (Stevens, 1992). After deleting those items, our results from rerunning an EFA produced a four-factor solution in which eigenvalues were greater than 1.0. The factor structure accounted for 69.79% of the variance.

The result of Bartlett’s test of sphericity was 6,309.46 ( $p = 0.000$ ), thus indicating the existence of one or more factors. The KMO measure of sampling adequacy was 0.921, confirming

validation of the factor structure. The results of the reliability analysis generated a Cronbach's alpha of 0.7 or above in all four domains, thereby indicating that the items within each domain had internal consistency (Nunnally and Bernstein, 1994). The domain factors were labeled "enjoyment of the conference host city's local life" (Domain 1), "enhancement of knowledge and socialization" (Domain 2), "expansion of business opportunities" (Domain 3), and "participation in a post-conference tour" (Domain 4). The results are reported in Table 3.

[TABLE 3 HERE]

The dependent variables for five models were (1) willingness to pay for participating in a small group forum staged by a C-level presenter from Korea's Top 30 enterprises (1 hour), (2) willingness to pay for participating in the in-depth case study class on IP dispute cases of Korea's Top 30 enterprises (1 hour), (3) willingness to pay for enjoying local festivals and events, (4) willingness to pay for enjoying local nightlife and evening entertainment, and (5) willingness to pay for having a 1:1 private golf lesson (30 min.) with a former LPGA star. To identify characteristics of these dependent variables, descriptive statistics and plots were examined. The WTP amounts of each program were measured in 12 levels. The mean and the standard deviation (in parentheses) values for those programs were 3.12 (2.50), 3.13 (2.22), 2.50 (1.80), 2.41 (1.71), and 2.31 (2.07), respectively. The percentages of no WTP and of WTP (in parentheses) for the five models were 25.7% (74.3%), 23.3% (76.7%), 25.4% (74.6%), 28.1% (71.9%), and 51.1% (48.9%), respectively.

The mean values were skewed toward no WTP. Thus, this study sought to explore the differences between the respondents who showed a willingness to pay and those who did not. The analysis led us to adopt a binary logistic regression analysis to identify the determinants of WTP

for the additional conference programs. Tables 4 and 5 present the results of that binary logistic regression analysis, which predicted the odds of having a WTP in accord with given programs, based on the values of the independent variables.

The potential determinants of WTP were (1) four factors of benefits sought, (2) seven sociodemographic and job-related characteristics, and (3) four variables for loyalty to conference participation. Thus, our logistic regression models can be specified as

$$P = \frac{1}{1+e^{-(\alpha+\beta_1X_1+\dots+\beta_iX_i)}} = \frac{1}{1+e^{-Z}},$$

where

$$Z = \alpha + \beta_1BF_1 + \beta_2BF_2 + \beta_3BF_3 + \beta_4BF_4 + \beta_5Age + \beta_6Income + \beta_7Own + \beta_8Asian + \beta_9Lawyer + \beta_{10}CEO \text{ or } Manager + \beta_{11}Sensitivity + \beta_{12}Importance + \beta_{13}Loyalty + \beta_{14}Attend.$$

The results reveal that five models fit the data ( $p$ -value > .05), according to the Hosmer-Lemeshow test. According to results of the omnibus test of model coefficients, the explained variances in a set of data of all five models were significantly greater than the unexplained variances. Nagelkerke  $R^2$  values in the five regression models were .53, .52, .57, .51, and .37, respectively, which means that the models have considerable explanation power. Also, the cases in the five models were correctly classified as 87.4%, 86.4%, 90.3%, 89.3%, and 84.5%, respectively.

Regarding the willingness to pay to participate in a small group forum staged by a C-level presenter from Korea's Top 30 enterprises (1 hour), five independent variables — expanding one's business opportunities, gender, sensitivity to the participation cost, the importance of participation in this conference for one's career, and willingness to attend the annual APAA conference — were

significant at the respective levels of .10, .01, .10, .01, and .05. Participants who marked one unit higher on the study's 7-point Likert-type scale regarding the benefit of expanding their business opportunities showed a 4.07 times greater likelihood of revealing a WTP for the extra small group forum program than did those who had no WTP. Male delegates were 0.05 times less likely to have a WTP for the additional small group forum program than were women delegates. Those who marked one unit higher on the 5-point Likert-type scale regarding sensitivity to the participation cost showed a 0.42 times lower likelihood of revealing a WTP for the program than did those who had no WTP. However, those who chose one unit higher on the 5-point Likert-type scale regarding the importance of APAA conference participation for their career showed a 4.59 times greater likelihood of revealing a WTP for the supplementary small group forum program rather than did those who had no WTP. Interestingly, those who marked one unit higher on the 5-point Likert-type scale regarding their intention to attend annual APAA conference were 0.10 times less likely to reveal a WTP for the program than were those who had no WTP.

The respondents' willingness to pay for participating in the in-depth case study class on IP dispute cases of Korea's Top 30 enterprises (1 hour) depended on four variables — gender, sensitivity to the participation cost, importance of participation in this conference for their career, and willingness to attend the annual APAA conference — that were significant at the .01, .10, .10, and .05 levels, respectively. As was the case for the WTP for participating in an extra, small group forum program, men were 0.03 times less likely to have a WTP for the additional in-depth case study class program than women were. Those who selected one unit higher on the 5-point Likert-type scale regarding the sensitivity to participation cost were 0.38 times less likely to reveal a WTP for the program than were those who had no WTP. However, those who selected one unit higher on the 5-point Likert-type scale regarding the importance of APAA conference participation for

their career were 2.84 times more likely to reveal a WTP for the added in-depth case study class program than were those with no WTP. Those who chose one unit higher on the 5-point Likert-type scale regarding intention to attend the annual APAA conference showed 0.10 times less likelihood of revealing a WTP for the program rather than did those who had no WTP.

With respect to willingness to pay for enjoying local festivals and events, seven variables were significant. Those who selected one unit higher on the 7-point Likert-type scale regarding the benefit of enhancing their knowledge and socialization were 9.51 times more likely to reveal their willingness to pay for enjoying local festivals and events than were those who had no WTP. Also, those who selected one unit higher on the 7-point Likert-type scale regarding the benefit of expanding their business opportunities were 0.13 times less likely reveal a WTP for a supplementary program to enjoy local festivals and events than were those who had no WTP. Those with a relatively high income were less likely to reveal a WTP for an extra program of enjoying local festivals and events than were those without a WTP. Men were 0.02 times less likely to have a WTP for the program than women were, and those who selected one unit higher on the 5-point Likert-type scale regarding sensitivity to the participation cost were 0.09 times less likely to reveal a WTP for the extra program for enjoying local festivals and events than were those who had no WTP. Those who chose one unit higher on the 5-point Likert-type scale regarding loyalty to APAA showed 8.27 times more likelihood to reveal a WTP for the added program to enjoy festivals and events, whereas those who marked one unit higher on the 5-point Likert-type scale regarding intention to attend the annual APAA conference showed 0.06 times less likelihood of revealing a WTP for the program than did those who had no WTP.

[TABLE 4 HERE]

In regard to willingness to pay for enjoying local festivals and events, and willingness to pay for enjoying local nightlife and evening entertainment, nine variables were significant. Those who selected one unit higher on the 5-point Likert-type scale regarding the benefit of enhancing knowledge and socialization had 4.78 times more likelihood of revealing a WTP for an additional program to enjoy local nightlife and evening entertainment than did those who had no WTP. Also, those who chose one unit higher on the 5-point Likert-type scale regarding the benefit of post-conference tours were 2.31 times more likely to reveal a WTP for a supplementary program to enjoy local nightlife and evening entertainment than were those who had no WTP. Those with a relatively high income were less likely to have a WTP for an extra program of enjoying local nightlife and evening entertainment, and men were 0.02 times less likely to have a WTP for such a program than women were. Those who selected one unit higher on the 5-point Likert-type scale regarding sensitivity to the participation cost showed 0.08 times less likelihood to reveal a WTP for the extra program for enjoying local nightlife and evening entertainment than did those who had no WTP, while those who chose one unit higher on the 5-point Likert-type scale regarding loyalty to the APAA showed a 3.30 times greater likelihood to reveal a WTP for the added program than did those who had no WTP. However, those who selected one unit higher on the 5-point Likert-type scale regarding the intention to attend the annual APAA conference were 0.14 times per unit less likely to reveal a WTP for the program than were those who had no WTP.

Regarding the willingness to pay for having a 1:1 private golf lesson (30 min.) with a former LPGA star, two variables — nationality and affiliation — were significant at the .05 level. Those who were working for their own company were 0.76 times less likely to have a WTP for the additional program offering a 1:1 private golf lesson with a former LPGA star than were those who were working for a private company or others. In addition, Asians were 0.96 times less likely

to have a WTP for the extra program of a 1:1 golf lesson with a former LPGA star than Westerners were. All such results are reported in Table 5.

[TABLE 5 HERE]

### **Discussion and implications**

This study attempts to identify the determinants of convention attendees' WTP for additional convention-related programs. Some important findings and implications as follows. First, those who sought to expand their business opportunities showed a WTP for the extra small group forum from Korea's top 30 enterprises and also for the additional program to enjoy local festivals and events. In accord with the findings of previous studies, attendees were committed to the major purposes of attending a convention to develop their social network and professional contacts, keep up with changes in their profession, and acquire new knowledge and ideas (Oppermann, 1998; Oppermann & Chon, 1997; Severt et al., 2007; Yoo & Chon, 2008). Thus, convention organizers need to provide programs that develop networking with leading companies.

Second, those who pursued expanding their knowledge and socialization showed a WTP for added programs for post-conference local tours. Because attendees seek knowledge and socialization, convention organizers need to recruit local tour guides to provide destination knowledge and design various activities to facilitate socialization. In a similar vein, those who sought the benefits of post-conference tours showed a WTP for an additional program that offered the enjoyment of local nightlife and evening entertainment. That result represents a hedonic motivation for attending a convention (Tretyakevich & Maggi, 2012). Therefore, convention organizers need to add local nightlife tours for those who have a leisure motivation, in order to improve those attendees' overall satisfaction level with the convention.



Regarding the effect of gender on intention to pay for the extra programs, women showed a higher level of intention to pay for the extra programs than men did. Previous studies have tried to discover the influence of gender on WTP. Results have been inconclusive (Carlsson & Johansson-Stenman, 2000; More & Stevens, 2000), while some studies have found that women spend more time and money on shopping than men do (Joh et al., 2006; Niemeier & Morita, 1996). In this study, women exhibited a higher level of WTP for the additional small group forum and the in-depth case study class of Korea's top 30 enterprises, and also for extra programs for enjoying the local life. Thus, women delegates can be a target that is more willing than men are to spend money on exploring knowledge through additional opportunities.

According to the effect of income on intention to pay for the supplementary programs, higher the income people had, the lower their intention was to pay for the supplementary programs, such as an extra program for enjoying local festivals/events and for local nightlife/evening entertainment. This result is opposite to those of previous studies, which found that tourists' income was positively and significantly correlated with their WTP (Bhandari & Heshmati, 2010; Surendran & Sekar, 2010; Wang & Jia, 2012). This result can be interpreted to reflect that proposed additional programs that are geared for exploring the local life are not beneficial enough to attract high-income APAA attendees.

According to the results of this study, those who had their own company had a higher intention to pay for the 1:1 private golf lesson with a former LPGA star than did those who were working for a private company or for others. Also, Westerners showed a higher intention to pay for the extra 1:1 private golf lesson program with an LPGA star than Asians did. Because there is a belief that golf skills and business performance are correlated in the business world (Ceron-Anaya, 2010), business owners showed a greater interest in a private golf lesson. Association

meeting participants may have interest in golf because golf offers an opportunity to build close friendship or companionship among conference attendants. Thus, convention organizers need to provide golf lessons for the attendees who are interested.

Those who have a conference-participation loyalty to APAA and think the conference is important for their career showed a higher intention to pay for the additional programs. That result is in line with previous studies that found that customers who are emotionally attached to products or services are less price sensitive and have a low switching cost (Kim & Crompton, 2002; Skogland & Siguaw, 2004; Tanford et al., 2012).

Those who were sensitive to the participation cost showed a lower intention to pay for the extra programs. This result corresponds with that of previous research, which found that attendees' intention to attend diminishes when their monetary or nonmonetary budget exceeds a certain boundary (Lee & Fenich, 2018; Park, Elis, Kim & Prideaux, 2010; Severt et al., 2007). Thus, convention organizers need to decide on the rates for additional programs by considering the attendees' monetary budgets and their acceptance level. According to assimilation-resistance concept of pricing (Crompton & Kim, 2001; Kim & Crompton, 2002) consumers are assimilated to a given price within their acceptance level, whereas they show resistance when they perceive the price outside their acceptance level.

This study offers academic implications. First, it is an initial attempt to apply the concept of WTP to the convention field in order to identify the determinants which affects WTP for additional program. For example, a prospective delegate will be reluctant to attend a convention in case that registration fee in a convention exceeds expectation level of delegates. Thus there is a need to adopt theory of psychology of pricing to exactly understand delegates' psychological reactions. Unlike theory-based research results of this study lead to practical implications such as

development of programs which delegates can accept financially. Thus this study assists both academicians and practitioners in light of theory-building and practical applications.

#### *Limitations and suggestions of future studies*

The results of this study were designed to be applied to the upcoming conference in 2021 in Busan, Korea, and specifically to guide the development of tailor-made programs that can cater to attendees' needs and wants. However, this study is involved with some limitations and some suggestions for future additional research. First, this study is applicable to a convention in which professional association members take part. Thus, a future study should compare the results of this study with those generated when this model is applied to other types of conferences, such as conferences with academic, social, or scientific purposes. Second, the intention to attend a conference can vary with the features of the organizers or of a preferred destination (Crouch & Louviere, 2004; Kim et al., 2016; Yoo & Chon, 2008). Therefore, a study is needed that can identify attendants' preference for a program on the basis of who the organizer is or what the destination is. Third, this study identified WTP for additional programs. Thus a future study needs to extend this study to other applications such as WTP for registration fee. Further it can be extended to exploring convention delegates' psychological state such as acceptance level of the registration fee, extra fees to buy additional programs or benefits sought as a return of buying membership. In addition, there is a need to research the effect of holding the additional programs on a host city or a destination.

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Table 1. Sociodemographic and job-related characteristics of the respondents (n=264)

Sociodemographic and job-related characteristics	Percent (%)	Sociodemographic and job-related characteristics	Mean or Percent (%)
Gender		Work experience	21.44 years (mean)
Male	67.4	Position	
Female	32.6	CEO	34.1
Age		High-level manager	32.8
20s	3.5	Middle-level manager	12.5
30s	16.4	Introductory level	3.1
40s	23.7	Others	8.7
50s	31.0	Nationality	
60s or older	18.1	Asian	47.0
Affiliation		Westerner	39.4
Lawyer	36.6	Annual household income (US\$)	
Patent attorney	48.1	Under 50,000	8.4
Public officer	1.0	50,000–100,000	14.3
Professor	0.3	100,001–150,000	8.4
Entrepreneur	0.3	150,001–200,000	9.4
Others	5.9	200,001–250,000	6.6
Type of corporation		250,001–300,000	5.2
Government	0.0	Over 300,000	19.5
Private company	57.1		
Own company	32.4		
Others	2.8		

Table 2. APAA attendance information (n=264)

APAA participation	Percent (%)	APAA participation	Mean (SD)
Role at the recent conference (multiple answers possible)		Do you feel sensitive to costs incurred by participation in these international conferences?*	3.66 (0.83)
APAA Council	9.4		
Attendee	54.0	How important do you think that your attendance at these international conferences is in your career?*	4.15 (0.70)
Organizer	1.7		
Presenter	2.8	How loyal are you to the APAA?*	4.11 (0.81)
Observer	35.9	What is your willingness to attend an annual APAA conference?*	4.34 (0.68)
How many times have you participated in this conference?			
None	2.1		
Once	15.0		
Two times	5.2		
Three times	7.0		
Four times or more	62.4		

Note: \* The items were measured using 5-point Likert-type scales (with strongly disagree (1), neutral (3), and strongly agree (5)).



Table 3. Principal component analysis for benefits sought from attending the APAA conference

(n=264)

Benefits sought from attending the APAA conference	Factor loadings				Communalities	Means
	1	2	3	4		
<b>Domain 1: Enjoyment of conference host city's local life</b>						
To visit historical sites	0.92				0.84	5.47
To visit unique architectural buildings	0.89				0.81	5.34
To enjoy cultural activities	0.88				0.81	5.38
To enjoy local festivals and events	0.87				0.81	5.18
To enjoy local and cultural entertainment	0.86				0.81	5.28
To travel to unfamiliar places	0.80				0.68	5.36
To try local foods and beverages	0.78				0.65	5.03
To get out of routine life	0.67				0.61	4.94
To enjoy local night life and evening entertainment	0.66				0.57	4.99
To purchase unique souvenirs from a local shop	0.47				0.63	4.27
<b>Domain 2: Enhancement of knowledge and socialization</b>						
To attend educational and training programs		0.84			0.73	4.58
To enhance professional knowledge		0.80			0.75	3.56
To get accreditation for my profession		0.78			0.67	4.61
To deliver a presentation		0.77			0.60	4.03
To keep up with current trends in my profession		0.76			0.73	3.89
To meet famous/reputed people		0.74			0.66	3.54
To gain recognition from peers		0.54			0.57	4.64
To globalize myself		0.55			0.69	4.65
To be inspired and broaden my perspective		0.60			0.73	4.45
To enjoy excursion programs		0.43			0.50	4.40
<b>Domain 3: Expansion of business opportunities</b>						
To extend my professional and social networks			0.87		0.81	5.37
To promote my company's products/services			0.83		0.78	5.07
To explore new business opportunities			0.83		0.81	5.18
<b>Domain 4: Participation in post-conference tour (health-related experience)</b>						
To try a new skin care experience				0.86	0.80	3.42
To try a temple stay				0.78	0.76	3.74
To try a massage				0.74	0.66	3.95
To try a minor cosmetic surgery				0.74	0.55	2.44
To experience local and traditional sports activities				0.69	0.56	3.62
Eigenvalue	6.64	5.06	3.94	3.90		
Variance explained	23.71	18.09	14.08	13.91		
Reliability coefficient	0.95	0.92	0.90	0.87		

Note: KMO=0.921, Bartlett's test chi-squared=6,309.46 ( $p$ -value=0.000).

Table 4. Results of logistic regression analysis I (n=264)

Independent variables	Willingness to pay for partaking in a small group forum staged by a C-level presenter from Korea's Top 30 enterprises (1 hour)				Willingness to pay for partaking in the in-depth case study class on IP dispute cases of Korea's Top 30 enterprises (1 hour)				Willingness to pay for enjoying local festivals and events			
	B	S.E.	Exp (β) <sup>a</sup>	p-value	β	S.E.	Exp(β) <sup>a</sup>	p-value	β	S.E.	Exp(β) <sup>a</sup>	p-value
<b>Benefits sought</b>												
Enjoyment of the conference host city's local life (Domain 1)	-0.43	0.44	0.65	0.334	0.27	0.40	1.31	0.498	-0.45	0.49	0.64	0.364
Enhancement of knowledge and socialization (Domain 2)	-0.44	0.68	0.64	0.514	-0.01	0.61	0.99	0.988	2.25	0.90	9.51	0.013**
Expansion of business opportunities (Domain 3)	1.40	0.78	4.07	0.070*	0.79	0.77	2.21	0.303	-2.03	0.81	0.13	0.013**
Participation in a post-conference tour (Domain 4)	0.14	0.36	1.15	0.701	-0.42	0.34	0.66	0.226	0.66	0.43	1.94	0.118
<b>Sociodemographic or and job-related characteristics</b>												
Age	-0.16	0.53	0.85	0.755	0.20	0.45	1.22	0.660	0.46	0.49	1.58	0.350
Income	-0.20	0.25	0.82	0.408	-0.16	0.22	0.85	0.472	-0.53	0.29	0.59	0.070*
Gender (1: male, 0: female)	-3.11	1.09	0.05	0.005***	-3.63	1.08	0.03	0.001***	-4.03	1.41	0.02	0.004***
Type of corporation (1: own company, 0: others)	-1.17	1.01	0.31	0.247	-0.11	0.85	0.90	0.897	-1.44	0.94	0.24	0.125
Nationality (1: Asian, 0: Westerner)	0.15	0.90	1.16	0.866	-0.70	0.86	0.50	0.417	1.12	0.96	3.06	0.245
Affiliation (1: lawyer, 0: others)	1.03	0.90	2.79	0.255	0.62	0.86	1.87	0.470	-0.67	1.01	0.51	0.510
Position (1: CEO or manager, 0: others)	1.71	1.47	5.50	0.246	1.32	1.21	3.72	0.279	4.16	2.32	64.17	0.073*
<b>Conference participation loyalty</b>												
Sensitivity to the participation cost	-0.87	0.50	0.42	0.085*	-0.97	0.51	0.38	0.058*	-2.39	0.81	0.09	0.003***
Importance of participation in this conference for my career	1.52	0.57	4.59	0.007***	1.04	0.54	2.84	0.054*	0.00	0.59	1.00	0.997
Loyalty to the APAA	0.43	0.58	1.54	0.457	0.25	0.55	1.28	0.651	2.11	0.85	8.27	0.013**
Willingness to attend the annual APAA conference	-2.30	1.00	0.10	0.022**	-2.35	0.96	0.10	0.014**	-2.84	1.18	0.06	0.016**
Hosmer Lemeshow test	6.89 (p-value=0.549)				8.95 (p-value=0.347)				9.68 (p-value=0.288)			
Omnibus tests of model coefficients	40.15 (p-value=0.000)				40.18 (p-value=0.000)				44.680 (p-value=0.000)			
-2 Log likelihood	55.30				61.21				53.81			
Nagelkerke R <sup>2</sup>	0.53				0.52				0.57			
Cases correctly predicted (%)	87.4				86.4				90.3			

Note: \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.10$ .

<sup>a</sup>Exponentiated values of the coefficients.

Table 5. Results of logistic regression analysis II (n=264)

Independent variables	Willingness to pay for enjoying local nightlife and evening entertainment				Willingness to pay for having a 1:1 private golf lesson (30 min.) with a former LPGA star				VIF
	$\beta$	S.E.	Exp( $\beta$ ) <sup>a</sup>	<i>p</i> -value	$\beta$	S.E.	Exp( $\beta$ ) <sup>a</sup>	<i>p</i> -value	
<b>Benefits sought</b>									
Enjoyment of the conference host city’s local life (Domain 1)	-0.54	0.47	0.58	0.249	-0.29	0.39	0.75	0.460	1.96
Enhancement of knowledge and socialization (Domain 2)	1.56	0.76	4.78	0.040**	-0.55	0.40	0.58	0.170	1.86
Expansion of business opportunities (Domain 3)	-1.10	0.70	0.33	0.115	-0.67	0.50	0.51	0.177	1.58
Participation in a post-conference tour (Domain 4)	0.84	0.40	2.31	0.039**	-0.09	0.35	0.92	0.798	1.83
<b>Sociodemographic and job-related characteristics</b>									
Age	0.74	0.46	2.09	0.110	-0.52	0.41	0.59	0.201	1.56
Income	-0.54	0.26	0.59	0.039**	0.03	0.19	1.03	0.868	1.76
Gender (1: male, 0: female)	-3.88	1.34	0.02	0.004***	0.87	1.04	2.38	0.405	1.45
Type of corporation (1: own company, 0: others)	-0.23	0.81	0.80	0.781	1.77	0.76	5.87	0.019**	1.33
Nationality (1: Asian, 0: Westerner)	-0.05	0.86	0.95	0.951	-1.95	0.96	0.14	0.041**	1.46
Affiliation (1: lawyer, 0: others)	-1.65	0.97	0.19	0.088*	-0.65	0.83	0.52	0.431	1.34
Position (1: CEO or manager, 0: others)	3.36	1.96	28.64	0.087*	0.61	0.99	1.84	0.537	1.10
<b>Conference participation loyalty</b>									
Sensitivity to the participation cost	-2.56	0.79	0.08	0.001***	-0.06	0.47	0.94	0.902	1.32
Importance of participation in this conference for my career	-0.87	0.62	0.42	0.157	-0.68	0.58	0.51	0.243	1.62
Loyalty to the APAA	1.20	0.70	3.30	0.089*	-0.05	0.58	0.95	0.931	2.30
Willingness to attend the annual APAA conference	-1.96	0.93	0.14	0.035**	0.70	0.68	2.01	0.300	2.12
Hosmer Lemeshow test	3.27 ( <i>p</i> -value=0.917)				6.82 ( <i>p</i> -value=0.556)				
Omnibus tests of model coefficients	37.98 ( <i>p</i> -value=0.001)				25.34 ( <i>p</i> -value=0.046)				
-2 Log likelihood	57.47				66.94				
Nagelkerke <i>R</i> <sup>2</sup>	0.51				0.37				
% cases correctly predicted	89.3				84.5				

Note: \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.10$ .

<sup>a</sup>Exponentiated values of the coefficients.