

## **THE AUGMENTED CONVENTION OFFERING: THE IMPACT OF DESTINATION AND PRODUCT IMAGES ON ATTENDEES' PERCEIVED BENEFITS**

MAKARAND MODY,\* SUSAN GORDON,† XINRAN LEHTO,‡  
SIU-IAN (AMY) SO,‡ AND MIMI LI§

\*School of Hospitality Administration, Boston University, Boston, MA, USA  
†School of Hospitality & Tourism Management, Purdue University, West Lafayette, IN, USA  
‡Faculty of Business Administration, University of Macau, Taipa, Macau, China  
§School of Hotel & Tourism Management, The Hong Kong Polytechnic University,  
Kowloon, Hong Kong

---

In order to benefit from the significant dual spending of meetings, incentives, conventions/conferences, exhibitions/events (MICE) attendees, destination marketers have attempted to identify key success criteria that enable increased convention and exhibition participation. Given the significant growth of the MICE industry in Asia, this study examines the role of destination and product images on Chinese attendees' perceptions of the benefits acquired through convention and exhibition participation in the regions of Macau and Hong Kong. Data were collected using an intercept survey and a systematic random sampling procedure. Structural Equation Modeling was used to test a model that integrates two strands of literature from the fields of marketing and international business: Product–Country Image (PCI) and the Augmented Service Offering (ASO). Results show that a favorable overall destination image positively impacts the image of the MICE product of the destination, which, in turn, leads to a greater perception of personal and professional benefit acquisition. Based on these findings, the authors propose the Augmented MICE Offering as a theoretical framework that can serve as a foundation for more comprehensive inquiry into the decision-making process of the MICE attendee and postattendance behavioral impacts. The study also provides important positioning and communication implications for MICE destinations.

**Key words: Destination image; Augmented service offering (ASO); Convention; Exhibition; Motivation**

---

## Introduction

In order to benefit from the significant economic impact of the growing meetings, incentives, conventions/conferences, exhibitions/events (MICE) industry, the governments of Asian countries are making large investments in MICE infrastructure and business development (Kim, Yoon, & Kim, 2011; Sangpikul & Kim, 2009). These investments are made for two main reasons. First, MICE attendees are seen as dual spenders as they fulfill the roles of both pleasure tourist and business delegate (Kim et al., 2011). Second, attendees are seen as opinion leaders who can influence others about a country or region and its offerings (Zhang, Leung, & Qu, 2007). Their feedback to organizers is considered an important factor in future site selection decisions (Wu & Weber, 2005). With many destinations vying for the lucrative MICE market, it is critical for destinations to identify and address the key product and service attributes that are important to both convention and exhibition organizers and attendees (Wan, 2011).

Despite recognition of the need to understand the MICE traveler, much work in the convention marketing literature has been conducted from the perspectives of meeting planners and decision makers, at the expense of understanding the decision-making processes of the attendees (Yoo & Weber, 2005). This recognition provided the rationale for the present study, which seeks to provide a fuller depiction of attendees' perceptions of important decision factors and attributes. The study was initiated in response to the research needs of the Macau Government Tourist Office (MGTO) to understand the factors that impact the performance of its convention and exhibition tourism product, and in comparison to its closest competitor: Hong Kong. Macau is a late entrant into a regional market with mature and leading MICE destinations (McCartney, 2008), with visible efforts being seen only since 2007 after a scrutiny of the sustainability of the gaming sector (Wan, 2011). In this regard, the region faces a critical challenge in changing traveler perceptions of the destination from solely a gaming destination to an attractive holistic convention and exhibition destination (McCartney, 2008). On the other hand, Hong Kong is a relatively well-established MICE destination. In fact, in 2008 the

Hong Kong Tourism Board established the Meetings & Exhibitions Hong Kong (MEHK) office to provide a highly efficient *one-stop service* to organizers in the various MICE segments, supported by HK\$150 million from the Hong Kong Government (MICE in Asia, 2008).

Given the Macau Government's more recent significant financial investments in its MICE industry, this study is timely and adds to the dearth of research that combines and compares the two rivals in the Pearl River Delta Region. The objective of the study was to examine the role of destination and product images on attendees' perceptions of the benefits acquired through convention and exhibition participation. To achieve this objective, the authors sought to integrate two strands of literature from the fields of marketing and international business: Product–Country Image (PCI) and the Augmented Service Offering (ASO). In so doing, the authors propose the Augmented MICE Offering Model under which the MICE participation decision can be understood. One must highlight at this stage that the authors will use the terms “MICE” and “conventions and exhibitions” interchangeably in this study. This follows from the fact that much existing research in the context of either the convention or exhibition sectors has drawn upon literature pertaining to the broader MICE context of the destination(s) under consideration. The present study goes one step beyond existing research by jointly examining the convention and exhibition products of Macau and Hong Kong.

## Literature Review

### *Product–Country Image*

The application of the PCI literature to this study is a logical extension of the extensive research on the concept of image in the field of tourism, including MICE tourism. It is generally accepted that a favorable image can attract MICE organizers as well as attendees to the destination (see, e.g., Boo, Koh, & Jones, 2008; Lee & Back, 2007). However, the extent to which a favorable destination image impacts attendees' perceptions of the attributes of the destination's convention and exhibition products is a question that has been ignored in existing research. The authors formulated specific

hypotheses based on the PCI literature to examine this relationship in the context of the convention and exhibition products of Macau and Hong Kong. The rationale underlying PCI is that image of a product is impacted by the image of the country in which the product is situated or made (Laroche, Papadopoulos, Heslop, & Mourali, 2005). Japanese cars serve as a good example. Because Japan is a country known for its automotive technology, one could hypothesize on the basis of the PCI literature that there is a positive correlation between the image of a car made by a Japanese manufacturer, say Toyota, and the country's favorable image pertaining to its automotive technology.

Although the PCI literature has traditionally been operationalized at the level of the country, Jaffe and Nebenzahl (2006) highlighted that its underlying rationale can be extrapolated to other spatial levels. This justifies the authors' application of PCI at the level of the special administrative regions (SAR) of the People's Republic of China: Macau and Hong Kong. Moreover, while researchers have examined the impact of country image on the image of all products from the country, there remains a need to explore this relationship in the context of specific product categories, brands, and/or tourism places (Elliot, Papadopoulos, & Kim, 2011; Elliot, Papadopoulos, & Szamosi, 2013). This justifies the authors' extrapolation of the PCI literature to the convention and exhibition products of Macau and Hong Kong.

The authors contextualized the destination image construct to Macau and Hong Kong by using global measures of image derived from their official tourism and MICE-specific websites. These image themes were also consistent with previous studies that have examined destination brand image from a business tourism perspective (Hankinson, 2005) and the online representation of these two regions (see, e.g., Choi, Lehto, & Morrison, 2007; Law & Cheung, 2010; Leung, Law, & Lee, 2011; Tang, Choi, Morrison, & Lehto, 2009; Tang, Scherer, & Morrison, 2011). Consequently, the authors examined convention and exhibition attendees' perceptions of Macau and Hong Kong as international and diverse cities with a lively business environment. Such contextualization readily follows Martínez and Alvarez's (2010) suggestion that the tourism literature must account for the distinction between the generic image of a country as measured in the

PCI literature and that of the country as a tourism destination.

Based on the PCI literature, the authors proposed the following relationship between the constructs of destination image and product image in the context of convention and exhibition attendees visiting Macau and Hong Kong:

**Hypothesis 1 (H1):** There is a positive relationship between a MICE destination's overall image and attendees' evaluations of its MICE product.

#### *Augmented Service Offering*

The authors conceptualized the destination's MICE product as an ASO (Grönroos, 1987). Grönroos' work offers a first step in allowing managers to understand the totality of the service offering from the customer's perspective (Storey & Easingwood, 1998). He suggested a distinction between three groups of services: core services, facilitating services, and supporting services (for a detailed explanation of these categories, see Grönroos, 2000). Zhang et al. (2007) explored the factors comprising these different types of services in the context of the convention offering. According to these authors, the core product is the conference program itself, which satisfies the attendees' professional needs. Several other location factors augment the core product and result in a higher quality conference or unexpected surprises for the attendee. Consistent with their classification, the present authors identified the destination's convention/exhibition environment, infrastructure, and facilities as the core service attributes of importance to the attendee. Additionally, the location factors including accommodation, transportation at the destination, dining opportunities, and the convenience of access to the destination comprised the facilitating services. The authors further identified the availability of entertainment, shopping, and cultural opportunities at the destination as supporting services, because these clearly enhance the value of the MICE product to the attendee. Given that this study operationalizes the ASO concept in the context of Macau and Hong Kong, the authors also added a destination-specific measure of supporting services: attendee perceptions of theme parks in the case of Hong Kong, which boasts of Hong Kong Disneyland, Ocean

Park Hong Kong, Noah's Ark, among others, and the image of Macau as a gaming destination.

Although the core, facilitating, and supporting services comprise the basic service package, Grönroos (2000) emphasized that these represent only the offering's technical quality. For the ASO to be complete, the functional quality aspects of the service must also be considered. In the context of the MICE offering, functional quality comprises Zhang et al.'s (2007) total cost factors or Yoo and Chon's (2008) travelability, and was identified as the total time and monetary costs of making the trip to the destination. Moreover, because safety and security has been considered an important element of a destination's MICE offering (see, e.g., Jago & Deery, 2005; Kim, Ao, Lee, & Pan, 2012; Kim, Sun, & Ap, 2008), it was included in this study's augmented services component of the ASO. The authors' operationalization of the core, facilitating, supporting, and augmented service levels is highly consistent with the measures used in previous studies (Kim, Ao, et al., 2012; Whitfield, Dioko, Webber, & Zhang, 2012).

Based on this conceptualization of a destination's MICE product as an ASO, hypothesis 1 was expanded to examine the impact of destination image on each of the four levels of the MICE product:

**Hypothesis 1a (H1a):** There is a positive relationship between a MICE destination's overall image and attendees' evaluations of its core MICE services.

**Hypothesis 1b (H1b):** There is a positive relationship between a MICE destination's overall image and attendees' evaluations of its facilitating MICE services.

**Hypothesis 1c (H1c):** There is a positive relationship between a MICE destination's overall image and attendees' evaluations of its supporting MICE services.

**Hypothesis 1d (H1d):** There is a positive relationship between a MICE destination's overall image and attendees' evaluations of its augmented MICE services.

#### *Benefits of MICE Participation*

Attendees generally acquire both professional and personal benefits through convention and exhibition

participation. The common professional benefit identified in the research on both convention and exhibition attendance surrounds the theme of networking. For example, according to Rosson and Rolf Seringhaus (1995), networking is a more important reason for visitor attendance at exhibitions than purchasing, information search and market investigation, or the desire to see particular products and companies. Similarly, research in the convention scenario has emphasized the importance of professional and social networking opportunities to attendees (Kim, Lee, & Kim, 2012; Rittichainuwat, Beck, & Lalopa, 2001; Yoo & Chon, 2008). On the other hand, personal benefits have been found to include sightseeing, outdoor recreation, visiting friends/relatives (Rittichainuwat et al., 2001; K. Severt, Fjelstul, & Breiter, 2009), participating in social or recreational programs, escaping from routine work (Yoo & Chon, 2008), spouse/family programs (D. Severt, Wang, Chen, & Breiter, 2007), novelty seeking, friendship enhancement (Kim, Ao, et al., 2012), entertainment, shopping (Kozak & Kayar, 2009), and the opportunity to visit a new destination (Bauer, Law, Tse, & Weber, 2008), among others. Thus, the notion that attendees add pleasure to business in MICE tourism has been accepted in the literature (Davidson, 2003; Hankinson, 2005). Based on this literature, the authors operationalized the perceived benefits of convention and exhibition participation to include both professional and personal motivations. Professional benefits include those related to the ability to network at the convention or exhibition, while personal benefits include those derived from the availability of entertainment, shopping, sightseeing, and cultural opportunities in Macau and Hong Kong.

According to Grönroos (2000), "if all the steps [in the design of the ASO] are properly carried out, the result should be a concrete offering, which includes the desired features, which in turn create the benefits customers seek" (p. 173). Thus, the positive relationship between the constructs of product image—the core, facilitating, supporting, and augmented MICE services—and the benefits sought through MICE participation has been clearly identified in the ASO literature. The authors proposed the following relationship between the constructs of product image and the benefits of MICE participation:

**Hypothesis 2 (H2):** There is a positive relationship between attendees' evaluations of a destination's MICE product and the benefits acquired from participating in a convention or exhibition.

More specifically, the authors proposed the following hypotheses linking the various levels of the MICE offering to the professional and personal benefits of participation:

**Hypothesis 2a (H2a):** There is a positive relationship between attendees' evaluations of a destination's core MICE services and the professional benefits acquired from participating in a convention or exhibition.

**Hypothesis 2b (H2b):** There is a positive relationship between attendees' evaluations of a destination's facilitating MICE services and the professional benefits acquired from participating in a convention or exhibition.

**Hypothesis 2c (H2c):** There is a positive relationship between attendees' evaluations of a destination's supporting MICE services and the personal benefits acquired from participating in a convention or exhibition.

**Hypothesis 2d (H2d):** There is a positive relationship between attendees' evaluations of a destination's augmented MICE services and the personal benefits acquired from participating in a convention or exhibition.

The relationships hypothesized in this study are summarized in Figure 1.

Methodology

Data Collection

A survey, which measures the constructs of destination image, the augmented service offering, and the benefits of convention/exhibition participation, was developed based on existing literature, as highlighted in the above sections. A total of 28 variables were included; four variables to measure each of the seven constructs identified in Figure 1. Prior to the start of data collection, 12 graduate student researchers in Macau and 27 in Hong Kong were trained to conduct face-to-face interviews

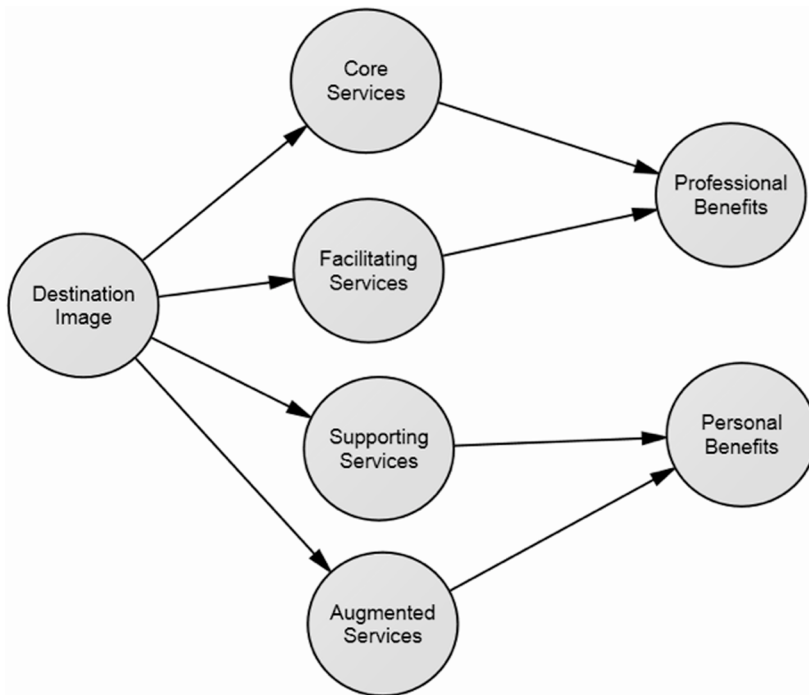


Figure 1. Hypothesized structural model.



following a highly structured protocol. A total of 789 intercept surveys were conducted between December 2010 and April 2011 at various convention and exhibition locations of the Macau, Taipa, and Cotai islands. In Hong Kong, a total of 939 intercept surveys were conducted between December 2010 and June 2011, also at various locations. Data collection covered the duration of the sampled events and involved a systematic random sampling method in which every fifth individual entering the convention/exhibition venue was requested to participate in the survey.

### *Data Analysis*

Before analyzing the data, the authors conducted Little's MCAR test ( $p = 0.766$ ) to determine that any missing data were missing completely at random; this is the ideal case for missingness because treatment of the existing data does not lead to bias in the estimated parameters. Thus, the regression imputation function in AMOS 19 was used to deal with missing values. The authors then split the overall sample ( $N = 789 + 939 = 1,728$ ) into two portions: one that included attendees only from mainland China and the other that included attendees from all other countries. The split was conducted for two reasons. First, at a theoretical level, the use of split samples in factor analysis—one for the exploratory stage and the other for confirmatory stage—has been recommended as a strategy for cross-validation that enhances the predictive validity of the results (Preacher, Zhang, Kim, & Mels, 2013). Second, at a practical level, the MGTO was interested in specifically understanding the perceptions of MICE visitors from the mainland, because these tourists comprise the most important inbound markets for both Macau (Liu, 2013) and Hong Kong.

As a first step, exploratory factor analysis (EFA) was conducted using SPSS 19 to determine the underlying dimensions of the constructs of destination image, the augmented service offering, and the benefits of convention/exhibition participation. The responses of the non-Chinese portion of the sample (398 for Macau and 460 for Hong Kong) were used for the EFA on the 28 variables representing these constructs. Based on the recommendations of several researchers (e.g., Hair, Anderson, Tatham, & Black, 1998; Tabachnick

& Fidell, 2007), the authors used a factor loading cut off of 0.4. Thus, variables that had a factor loading of less than 0.4 on any of the factors obtained during EFA were dropped from subsequent analyses, because these indicated a poor fit with the remaining items. This resulted in a total of seven variables being dropped, one from each of the seven constructs presented in Figure 1, leaving a total of 21 variables for subsequent analyses.

The authors then used the responses from the Chinese attendees only (391 for Macau and 479 for Hong Kong) for the confirmatory stage of structural equation modeling (SEM) using AMOS 19. Multiple group analysis using SEM with maximum likelihood estimation (MLE) was conducted to simultaneously estimate the Macau and Hong Kong models. While providing indications of fit for the overall model (Fig. 1), multiple group analysis allows for an estimation and comparison of the structural parameters for the two destinations.

### Results

Tables 1 and 2 indicate the distribution of the 21 variables across the seven constructs that were determined in the exploratory stage and used for subsequent modeling in the SEM stage. The Cronbach's  $\alpha$  values for the seven constructs indicated that there were three factors in the Macau data for which reliability was a concern: Destination Image, Facilitating Services, and Supporting Services. However, given their theoretical importance and that the same factors indicated acceptable reliability for the Hong Kong data [around or above Nunnally's rule of thumb of 0.7], they were retained in subsequent analyses.

The authors used Anderson and Gerbing's (1988) two-step approach to SEM, which employs CFA followed by the estimation of structural model. CFA was conducted separately for each part of the hypothesized model presented in Figure 1 (i.e., a single-factor model for the destination image construct, a four-factor second-order model for the ASO, and a two-factor second-order model for the personal and professional benefits of convention/exhibition attendance). The model for destination image was saturated (degrees of freedom = 0), thus the CFA has an exact solution and one cannot use overall goodness-of-fit statistics to measure the

Table 1  
Descriptive Statistics: Macau (N = 391)

Construct/Manifest Variable	Mean	SD	Cronbach's $\alpha$
Destination image			0.579
Lively business environment	4.81	1.29	
International	4.59	1.38	
Diverse	4.40	1.39	
Core services			0.747
Convention/exhibition environment	5.11	1.21	
Convention/exhibition infrastructure	5.05	1.22	
Convention/exhibition facilities	4.96	1.23	
Facilitating services			0.626
Accommodation	5.26	1.32	
Access to destination	4.93	1.40	
Convenient transport at destination	4.90	1.31	
Supporting services			0.526
Macau is a gaming destination	5.46	1.41	
Macau has entertainment opportunities	4.76	1.34	
Macau has shopping opportunities	4.55	1.33	
Augmented services			0.680
Time to travel	4.81	1.49	
Safety and security at destination	4.79	1.50	
Total cost	4.73	1.48	
Professional benefits			0.811
Developing professional network	5.25	1.45	
Personal interactions	5.06	1.44	
Seeing people I know in my field	5.00	1.50	
Personal benefits			0.875
Sightseeing	4.30	1.59	
Entertainment	3.90	1.64	
Shopping	3.86	1.70	

fit of this model to the data. However, the parameter estimates of the variables that comprise this construct were all highly significant ( $p = 0.000$ ), indicating their suitability for the second stage of structural modeling. Also, while the chi-square test results were significant for the remaining second-order factor models [ $\chi^2(78) = 283.636$ ,  $p = 0.000$  and  $\chi^2(16) = 37.460$ ,  $p = 0.002$ , for the ASO and benefit models, respectively], the four approximate fit indices most widely reported in the SEM literature (Kline, 2011)—CFI, GFI, SRMR, and RMSEA—indicated acceptable fit of the models to the data (0.933, 0.943, 0.062, 0.051, and 0.990, 0.986, 0.030, 0.040 for the ASO and benefit models, respectively).

The authors then tested the hypothesized structural model (Fig. 1) via structural modeling. The fit of the model was marginal:  $\chi^2(362) = 1154.16$ ,  $p = 0.000$ ; CFI = 0.890; GFI = 0.890; SRMR = 0.07; RMSEA = 0.05; only the SRMR was at the optimal value recommended by Sivo, Fan, Witte, and

Willse (2006) for the present study's sample size. An analysis of the parameter estimates indicated an anomaly in that the relationship between facilitating services and professional benefits was insignificant in the case of Hong Kong ( $p = 0.137$ ) and insignificant and negative in the case of Macau ( $p = 0.461$ ). Thus, the authors made an adjustment to the model suggested by the model modification indices (MI), and hypothesized that facilitating services impact professional benefits *indirectly* through the core services construct, as indicated in Figure 2. Kline (2011) has cautioned against the use of MI for strictly empirical respecification, stating that the process of adding and/or dropping parameters must be driven by theory. In this case, the authors' adjustment is conceptually supported by Grönroos' (2000) assertion that facilitating services *support* the core services in that they are required for the customer to use to the core product.

The revised model indicated a significantly better fit to the data:  $\chi^2(362) = 1084.50$ ,  $p = 0.000$ ;

Table 2  
Descriptive Statistics: Hong Kong ( $N = 479$ )

Construct/Manifest Variable	Mean	SD	Cronbach's $\alpha$
Destination image			0.704
International	5.46	1.29	
Diverse	5.22	1.27	
Lively business environment	5.20	1.25	
Core services			0.834
Convention/exhibition infrastructure	5.37	1.22	
Convention/exhibition environment	5.24	1.21	
Convention/exhibition facilities	5.17	1.31	
Facilitating services			0.659
Access to destination	5.20	1.35	
Convenient transport at destination	4.94	1.39	
Accommodation	4.94	1.41	
Supporting services			0.772
Hong Kong has shopping opportunities	5.29	1.32	
Hong Kong has entertainment opportunities	5.01	1.35	
Hong Kong has theme parks	4.92	1.40	
Augmented services			0.777
Safety and security at destination	4.98	1.47	
Total cost	4.82	1.48	
Time to travel	4.81	1.50	
Professional benefits			0.747
Developing professional network	5.16	1.35	
Personal interactions	4.92	1.41	
Seeing people I know in my field	4.92	1.49	
Personal benefits			0.862
Sightseeing	4.47	1.48	
Shopping	4.37	1.52	
Entertainment	4.21	1.59	

CFI = 0.903; GFI = 0.901; SRMR = 0.062; RMSEA = 0.048. Although the CFI and GFI were below the optimal cut-off values recommended by Sivo et al. (2006) (for these two indices, high values indicate better model fit), the revised model was considered acceptable since both SRMR and RMSEA were below the cut-off values recommended by Sivo et al. (2006), with low values indicating better model fit. Additionally, the indirect path for the relationship between facilitating services and professional benefit was significant and positive for both Macau and Hong Kong. This finding indicates that facilitating services do indeed support the core services in meeting the professional benefits desired from MICE participation. The parameter estimates for the two destinations are presented in Figure 3, with levels of significance provided in Table 3.

The test for structural invariance indicated that certain parameter estimates between the Macau and Hong Kong groups were significantly different and hence should not be set equal. To identify these, the

authors examined the critical ratios for differences for each pair of parameter estimates across the two groups. These ratios indicated that the estimates for the relationships between the following three pairs of constructs—destination image and facilitating services, destination image and augmented services, and core services and professional benefits—were significantly different across the two groups. These differences are not surprising in view of the existing literature comparing these two destinations, as presented in the following discussion. Moreover, these findings have significant marketing implications for Macau and Hong Kong pertaining to their MICE offerings.

## Discussion

The purpose of this study was to develop a model to examine the MICE product of a tourism destination by integrating two strands of literature: PCI and the ASO. It was found that a favorable overall



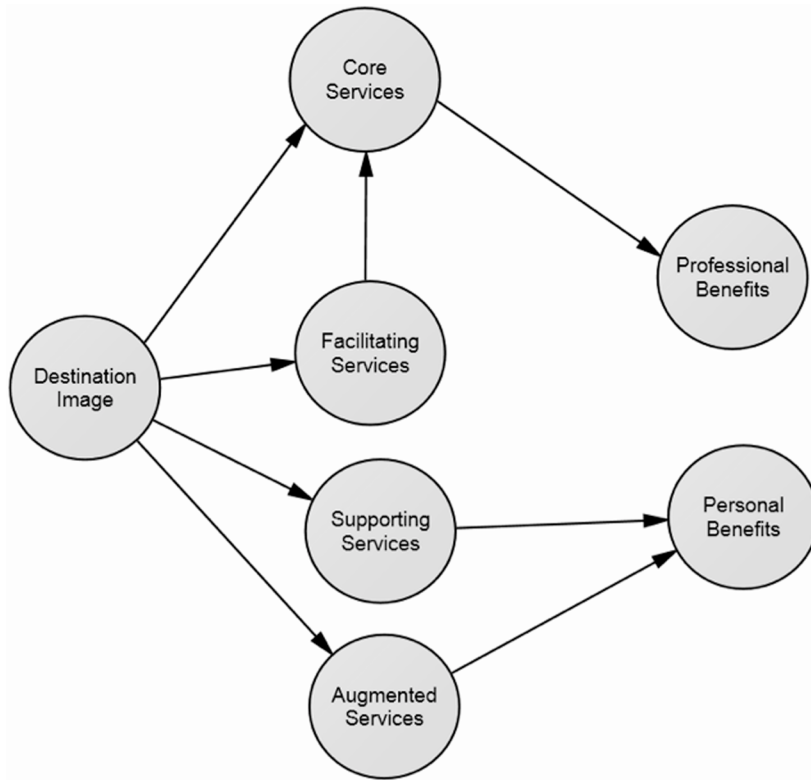


Figure 2. Revised structural model.

image of a destination had a significant positive impact on the image of the destination’s MICE offering, which was conceptualized as the four levels of the ASO (Grönroos, 1987, 2000)—core, facilitating, supporting, and augmented services. Subsequently, a favorable image of the MICE product led attendees to perceive that the personal and professional benefits they sought through convention/exhibition participation were acquired. Thus, the authors found empirical support for all eight hypotheses that constitute the model (H1a to H2d) except H2b, which was partially supported.

It was found that Hong Kong’s overall destination image translated into more favorable perceptions of the facilitating services of its MICE offering ( $\beta = 0.801$ ) than in the case of Macau ( $\beta = 0.415$ ) (Table 3). This result is consistent with Wan (2011), who found Hong Kong to have better transportation at the destination and an internationally renowned airport, and hence better connectivity than Macau. Specifically, for visitors from mainland China the

limited capacity of Macau’s border gates, which extends the amount of time it takes to pass through immigration control, may be a potential detractor resulting in a lower perception of the overall facilitating services at the destination. Industry stakeholders in Wan’s (2011) study also highlighted that the industry base and business climate of Macau were not as good as those in Hong Kong. It would appear as though these perceptions are echoed by the attendees in the present sample, who indicated the lower ability of the core services of Macau’s MICE offering to fulfill the professional benefits they sought through convention and exhibition participation ( $\beta = 0.246$  and  $0.376$  for Macau and Hong Kong, respectively). This perceived inability may stem from Macau’s MICE infrastructure, which is in the early stages of development as compared to other established destinations in the region (McCartney, 2008; Wan, 2011).

That Macau’s overall image is overwhelmingly dominated by its gaming reputation (Li, Song, Cao,

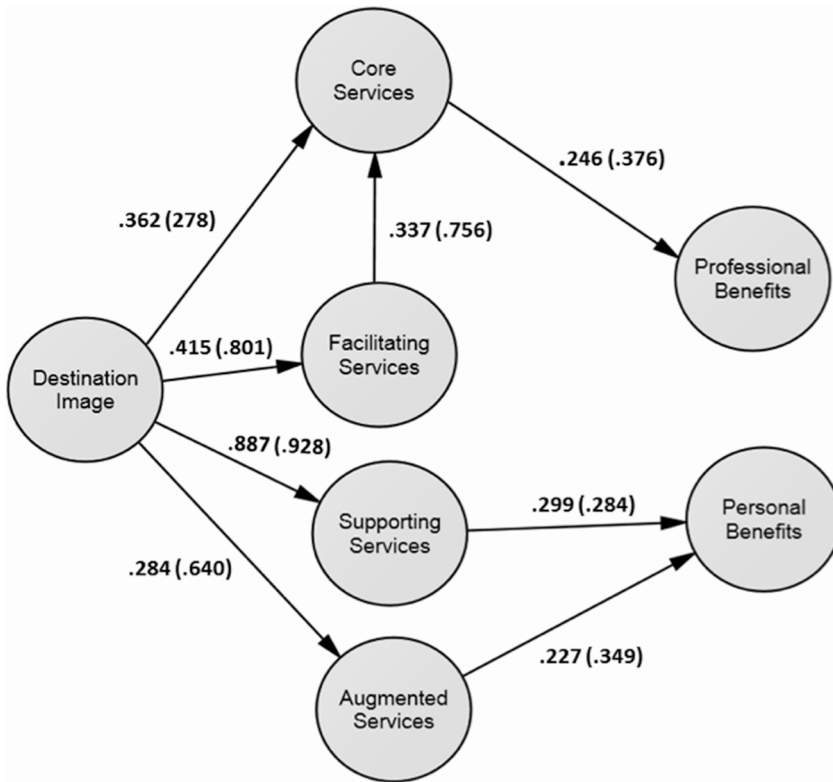


Figure 3. Parameter estimates for revised structural model (parameter estimates for Hong Kong are represented in parentheses).

& Wu, 2013) was confirmed by this study. Attendees perceived Macau’s MICE product as offering extensive gaming opportunities (mean = 5.46), which was significantly higher ( $p < 0.01$ ) than attendees’ perceptions of Hong Kong as a MICE

destination with theme parks (mean = 4.92). This perception may have contributed to Macau’s overall image as a less diverse destination (mean = 4.40) than Hong Kong (mean = 5.22) ( $p < 0.01$ ). The strong image as a gaming destination may have

Table 3  
Parameter Estimates for Structural Model

Parameter	Macau		Hong Kong	
	Estimate <sup>a</sup>	<i>p</i> -Value	Estimate <sup>a</sup>	<i>p</i> -Value
Destination image → Core	0.362	***	0.278	0.012
Destination image → Facilitating <sup>b</sup>	0.415	***	0.801	***
Destination image → Supporting	0.887	***	0.928	***
Destination image → Augmented <sup>b</sup>	0.284	***	0.640	***
Core → Professional <sup>b</sup>	0.246	0.002	0.376	***
Facilitating → Core	0.337	***	0.756	***
Supporting → Personal	0.299	0.003	0.284	***
Augmented → Personal	0.227	0.040	0.349	***

<sup>a</sup>Unstandardized estimates.

<sup>b</sup>Indicates significant differences between Hong Kong and Macau estimates.

\*\*\*Indicates significant estimates at the 0.0001 level.

also contributed to the less favorable relationship between destination image and augmented services for Macau ( $\beta = 0.284$ ) as compared to Hong Kong ( $\beta = 0.640$ ); gaming in Macau has been associated with organized crime (Master, 2013), petty street crime such as pick pocketing in and around casinos, and other deviant behavior related to the gaming industry and the large influx of visitors from the mainland (Hao, 2005). In comparison, Hong Kong has been rated as a favorable MICE destination in relation to safety and security (Kim et al., 2011).

Implications

The major theoretical contribution of this study comes from the successful integration of two related strands of research from the marketing and international business literatures: PCI and the ASO. Based on the integrative model presented in Figure 2, which was validated using SEM, the authors propose the following theoretical framework (Fig. 4) as a means to understanding a destination's MICE offering from the perspective of the attendee, a surprisingly neglected stakeholder in research on MICE tourism (Wu & Weber, 2005; Yoo & Weber, 2005). This framework makes four important theoretical contributions to our understanding of the convention and exhibition attendee's underlying perceptual dynamics. First, it establishes the importance of the *primacy effect* in the context of MICE tourism; a destination's overall tourism image plays a pivotal role in effecting a favorable perception of its MICE services and the resultant benefits of participation. As a corollary, a destination might find it difficult to attract MICE attendees and fully realize the economic benefits of the attendees' dual spending if they do not think of the destination as a *tourism attraction*. In so inferring,

the authors implore researchers to look beyond the destination selection criteria employed by convention, exhibition, and meeting organizers (Elston & Draper, 2012). Second, the framework combines previously disparate evaluation parameters into a distinct pathway that can be used to assess a destination's MICE offering in its entirety. It addresses the scarcity of research that simultaneously considers the attendee's motivation and image-related considerations pertaining to a MICE destination; much work has focused on one (see, e.g., D. Severt et al., 2007; K. Severt et al., 2009; Yoo & Chon, 2008) or the other (see, e.g., Boo et al., 2008; Lee & Back, 2007). Third, in developing and validating this framework in the context of MICE tourism, the authors have advanced the PCI agenda in tourism research: the need to explore the underlying relationships of PCI in the context of specific product categories, brands, and/or tourism places (Elliot et al., 2011). Fourth, the authors jointly modeled the convention and exhibition products of a destination as its integrated MICE offering, a decision that finds support both in academic literature (see, for example, Kim et al., 2008) and industry practice. Consequently, the Augmented MICE Offering Model can provide destination marketers with a more comprehensive perspective of the dynamics underlying their MICE tourism than that provided by research that separates the convention and exhibition attendee. It can serve as a foundation for further inquiry into the decision-making processes of MICE attendees, particularly their postattendance behavioral impacts.

In addition to its theoretical contribution, this study has important marketing implications for Macau and Hong Kong. Given that the image of a destination's MICE offering is so heavily impacted by its overall image as a tourism destination,



Figure 4. The Augmented MICE Offering model.

greater integration between the tourism promotion of Macau as a whole and that of its MICE product is needed. This finding is consistent with Elliott et al. (2013) who concluded that “a place must coordinate the images of its tourism, product, and various other sectors of economic activity” (p. 15) in order to impact the overall image of a location. Moreover, a destination’s MICE promotion should emphasize how the region can fulfill both the professional and personal benefits that attendees seek through convention or exhibition participation. It should emphasize Macau’s ability to allow the attendee to add pleasure to business (Davidson, 2003). With more private operators securing approval for the development of integrated resorts in the region that can cater to these dual needs (Master, 2012a, 2012b), the time is ripe for Macau to enhance its communication to visitors from mainland China and beyond. In this regard, Hong Kong appears to be doing a better job of leveraging its overall destination image in the minds of its MICE attendees.

Another related recommendation pertains to the overall destination image that should be portrayed by Macau’s tourism authorities. McCartney (2008) suggested that Macau’s strong gaming image might detract from its efforts to establish itself as a convention and exhibition destination with diverse offerings. Relatedly, Choi et al. (2007) noted that the MGTO meticulously avoided the word “gaming” on its website, perhaps in an effort to portray a more multifaceted destination image. Although the present study provides support to the idea that a greater perception as a gaming destination results in Macau being perceived as a less diverse destination ( $p < 0.01$ ), this may serve as a blessing in disguise by allowing the region to market itself as a *niche* convention destination. The authors found that convention and exhibition attendees perceived a high level of personal benefit acquisition from Macau’s gaming opportunities [ $\beta$  (Supp Personal) = 0.299]. In fact, this relationship was stronger than the impact of Hong Kong’s theme park and shopping-based supporting services on personal benefit acquisition ( $\beta = 0.284$ ). It points to the fact that Macau’s current positioning—as the crossroads for Chinese and Portuguese culture, cuisines, and commerce (Macau Government Tourist Office, n.d.a), as a city destination with many old buildings and heritage/historical attractions (Choi

et al., 2007)—may not be an effective strategy particularly for its convention and exhibition product. Instead, Macau’s likely transformation “to a megagaming hub with casino strips, themed properties, and entertainment complexes” (Tang et al., 2011, p. 2) may represent a more successful way forward in attracting both Chinese (Tang et al., 2009; Zeng, Prentice, & King, 2012) and Western MICE visitors (Wong & Rosenbaum, 2012). That gaming currently accounts for 86% of the total visitor expenditure in Macau provides the economic rationale for such a positioning decision (Macau Government Tourist Office, n.d.b).

The authors also found that the overall image of Hong Kong results in a more favorable perception of the facilitating and augmented services offered to MICE attendees. These represent areas of image improvement for the Macau tourism authorities. More specifically, they need to enhance Macau’s image as a destination possessing adequate high quality accommodation and transportation. Macau has a substantial hotel room supply and a favorable cost-to-quality ratio that must be marketed to Chinese visitors (Loi & Kim, 2010; Wan, 2011) who perceive Hong Kong as an expensive destination (Law & Cheung, 2010; Leung et al., 2011). Ground traffic congestion draws the most complaints from visitors to Macau (du Cros, 2008) and needs urgent attention at the marketing and infrastructure development levels if the region is to continue its foray into the MICE market. The government’s recent announcement to build its first Light Rapid Transit (LRT) system represents a significant move towards transportation improvement, and will significantly benefit its MICE market by bringing the region closer to mainland China (Encarnacao, 2013). Because convenience of access is an important consideration for MICE participation—a facilitating service—steps such as government’s easing of visa restrictions for mainland businessmen traveling for MICE events can go a long way in attracting more Chinese attendees to Macau by reducing border gate congestion (Leitão, 2013). Also, marketers must allay fears of mainland visitors about the level of crime in Macau, particularly casino-related crime (Huang, Tsaur, & Yang, 2012). Given the importance of supporting and augmented services to MICE visitors in fulfilling their personal needs ( $\beta = 0.299$  and  $0.227$ ), steps such as the increased

police action to tackle casino-related crime must be made public to restore visitor confidence (Jacob & Cookson, 2012).

This study adds to the limited body of research on the MICE attendee by presenting a comprehensive model of the destination's convention and exhibition offering. The authors' focus on examining attendee perceptions (i.e. the attendee's image of the destination and its MICE offering) is justified by Jaffe and Nebenzahl (2006) who state: "it's all in the eyes of the consumer" (p. 85)—images motivate behavior. Nonetheless, one must acknowledge certain limitations of this study and suggest avenues for future research.

First, the fact that modeling was conducted using only Chinese respondents may limit the generalizability of this study. However, in their study of attendees to a megabusiness exhibition in Hong Kong, Bauer et al. (2008) found that there were no differences in perceptions between overseas and local attendees on most motivation and destination-related attributes, which included items similar to those in the present study. Moreover, the present authors were able to replicate the same factor structure for the non-Chinese portion of the sample in the exploratory stage and the Chinese attendees in the confirmatory stage of SEM, which suggests that the underlying dynamics of the Augmented MICE Offering Model may be validated in future studies in different contexts. Second, the authors only included networking-related professional benefits in the final model, because these have been considered important to both the convention and exhibition attendee. Future research could incorporate other professional benefits—such as education, leadership enhancement, exposure to new research, business opportunities, association involvement, and market investigation, among others (Rittichainuwat et al., 2001; K. Severt et al., 2009)—depending on the specific context of conventions or exhibitions to make the model more nuanced in its understanding of the different sectors of MICE tourism.

Third, the authors cannot imply the applicability of the proposed model to the context of incentives (the "I" of MICE). Incentive travel programs are designed to reward an organization's employees for exceptional performance in order to strengthen their loyalty to the organization (Rogers, 2012). Thus, they may not serve a similar purpose as conventions

or exhibitions in meeting participants' personal and professional needs. Moreover, the decision to purchase incentive travel often lies with incentive travel planners within an organization (Ricci & Holland, 1992), due to which a participant's decision making is mainly restricted to whether or not to attend the program. Fourth, more contemporary research in the PCI domain has deconstructed the country image construct into its cognitive and affective components. Such decomposition allows researchers to provide more specific, actionable information on how destination image and product image interact and the marketing implications of such interaction (see, e.g., Elliot et al., 2011; Laroche et al., 2005).

In addition to such operationalization of the destination image construct, future models could also incorporate other antecedents and consequences of the travel decision process, such as the information sources used, satisfaction, and loyalty, among others. These can be particularly useful in determining the propensity of MICE attendees as opinion leaders who influence others about a country or region and its offerings (Zhang et al., 2007). One could also test the effects of additional moderating variables of theoretical and practical interest to researchers and destination marketers, such as gender or the proportion of business to pleasure, which would provide more detailed insight into the attendees' MICE experience. Finally, future researchers could add other elements of Grönroos' (2000) dynamic framework of the ASO—namely supportive marketing communication and internal marketing—to the Augmented MICE Offering Model to further understanding of what is clearly a growing sector of the tourism industry.

#### End Note

Readers who are interested in obtaining the following information pertaining to the study can contact the corresponding author directly:

- A complete list of the conventions and exhibitions at which data were collected.
- The statements used to measure the variables used in the final modeling.
- Covariance matrices used in the final modeling for Macau and Hong Kong.



## References

- Anderson, J. C., & Gerbing, D. W. (1988). Structural equation modeling in practice: A review and recommended two-step approach. *Psychological Bulletin*, *103*(3), 411–423.
- Bauer, T., Law, R., Tse, T., & Weber, K. (2008). Motivation and satisfaction of mega-business event attendees: The case of ITU Telecom World 2006 in Hong Kong. *International Journal of Contemporary Hospitality Management*, *20*(2), 228–234.
- Boo, S., Koh, Y., & Jones, D. (2008). An exploration of attractiveness of convention cities based on visit behavior. *Journal of Convention & Event Tourism*, *9*(4), 239–257.
- Choi, S., Lehto, X., & Morrison, A. (2007). Destination image representation on the web: Content analysis of Macau travel related websites. *Tourism Management*, *28*, 118–129.
- Davidson, R. (2003). Adding pleasure to business. *Journal of Convention & Exhibition Management*, *5*(1), 29–39.
- du Cros, H. (2008). Too much of a good thing? Visitor congestion management issues for popular world heritage tourist attractions. *Journal of Heritage Tourism*, *2*(3), 225–238.
- Elliot, S., Papadopoulos, N., & Kim, S. (2011). An integrative model of place image: Exploring relationships between destination, product, and country images. *Journal of Travel Research*, *50*(5), 520–534.
- Elliot, S., Papadopoulos, N., & Szamosi, L. (2013). Studying place image: An interdisciplinary and holistic approach. *Anatolia: An International Journal of Tourism and Hospitality Research*, *24*(1), 5–16.
- Elston, K., & Draper, J. (2012). A review of meeting planner site selection criteria research. *Journal of Convention & Event Tourism*, *13*(3), 203–220.
- Encarnacao, J. M. (2013). Macao to build first rapid transit network. *Macao Magazine*. Retrieved May 30, 2013, from <http://macaomagazine.net/social-affairs/macao-build-first-rapid-transit-network>
- Grönroos, C. (1987). Developing the service offering—A source of competitive advantage. In C. Suprenant (Ed.), *Adding value to your service* (pp. 81–85). Chicago: American Marketing Association.
- Grönroos, C. (2000). *Service management and marketing: A customer relationship management approach*. Chichester, UK: John Wiley & Sons.
- Hair, J. F., Anderson, R. E., Tatham, R. L., & Black, W. C. (1998). *Multivariate data analysis*. Englewood Cliffs, NJ: Prentice Hall.
- Hankinson, G. (2005). Destination brand images: A business tourism perspective. *Journal of Services Marketing*, *19*(1), 24–32.
- Hao, Z. (2005). Social problems in Macau. *China Perspectives*, *62*.
- Huang, C. H., Tsaur, J. R., & Yang, C. H. (2012). Does world heritage list really induce more tourists? Evidence from Macau. *Tourism Management*, *33*(6), 1450–1457.
- Jacob, R., & Cookson, R. (2012). Police arrest 150 in Macau casino raids. *Financial Times*. Retrieved December 14, 2012, from <http://www.ft.com/cms/s/0/a7ad40ec-df83-11e1-b81c-00144feab49a.html>
- Jaffe, E. D., & Nebenzahl, I. D. (2006). *National image and competitive advantage: The theory and practice of place branding*. Copenhagen, Denmark: Copenhagen Business School Press.
- Jago, L. K., & Deery, M. (2005). Relationships and factors influencing convention decision-making. *Journal of Convention & Event Tourism*, *7*(1), 23–41.
- Kim, S., Ao, Y., Lee, H., & Pan, S. (2012a). A study of the motivations and the image of Shanghai as perceived by foreign tourists at the Shanghai EXPO. *Journal of Convention & Event Tourism*, *13*(1), 48–73.
- Kim, S., Lee, J., & Kim, M. (2012b). How different are first-time attendees from repeat attendees in convention evaluation? *International Journal of Hospitality Management*, *31*, 544–553.
- Kim, S. S., Sun, H., & Ap, J. (2008). Is there competition in the exhibition market in Asia? Analysis of the positioning of major Asian exhibition host cities. *Asia Pacific Journal of Tourism Research*, *13*(3), 205–227.
- Kim, S., Yoon, S., & Kim, Y. (2011). Competitive positioning among international convention cities in the East Asian Region. *Journal of Convention & Event Tourism*, *12*(2), 86–105.
- Kline, R. (2011). *Principles and practice of structural equation modeling* (3rd ed.). New York: The Guildford Press.
- Kozak, N., & Kayar, C. (2009). Visitors' objectives for trade exhibition attendance: A case study on the East Mediterranean International Tourism and Travel Exhibition (EMITT). *Event Management*, *12*(3–4), 133–141.
- Laroche, M., Papadopoulos, N., Heslop, L., & Mourali, M. (2005). The influence of country image structure on consumer evaluations of foreign products. *International Marketing Review*, *22*(1), 96–115.
- Law, R., & Cheung, S. (2010). The perceived destination image of Hong Kong as revealed in the travel blogs of mainland Chinese tourists. *International Journal of Hospitality & Tourism Administration*, *11*, 303–327.
- Lee, M. J., & Back, K. (2007). Effects of destination image on meeting participation intentions: Empirical findings from a professional association and its annual convention. *The Service Industries Journal*, *27*(1), 59–73.
- Leitão, L. (2013). MICE industry calls for marketing drive. *Macao Business Daily*. Retrieved February 5, 2013, from <http://issuu.com/businessdaily/docs/mbd-feb-5>
- Leung, D., Law, R., & Lee, H. (2011). The perceived destination image of Hong Kong on Ctrip.com. *International Journal of Tourism Research*, *13*, 124–140.
- Li, G., Song, H., Cao, Z., & Wu, D. C. (2013). How competitive is Hong Kong against its competitors? An econometric study. *Tourism Management*, *36*, 247–256.
- Liu, P. (2013). MACAU—Neighbourly ties firm up. *TTC MICE*. Retrieved June 20, 2013, from <http://www.ttg mice.com/article/macao-neighbourly-ties-firm-up/>

- Loi, K. I., & Kim, W. G. (2010). Macao's casino industry reinventing Las Vegas in Asia. *Cornell Hospitality Quarterly*, 51(2), 268–283.
- Macao Government Tourist Office. (n.d.a). *Macau business tourism introduction*. Retrieved May 8, 2013, from [http://industry.macaotourism.gov.mo/en/page/content.php?page\\_id=68](http://industry.macaotourism.gov.mo/en/page/content.php?page_id=68)
- Macao Government Tourist Office. (n.d.b). *Macau tourism figures 2012*. Retrieved March 21, 2014, from [http://industry.macaotourism.gov.mo/en/page/content.php?page\\_id=162](http://industry.macaotourism.gov.mo/en/page/content.php?page_id=162)
- Martínez, S. C., & Alvarez, M. D. (2010). Country versus destination image in a developing country. *Journal of Travel & Tourism Marketing*, 27(7), 748–764.
- Master, F. (2012a). *Wynn gets green light for new Macau casino project*. Retrieved June 4, 2013, from <http://www.reuters.com/article/2012/05/02/uk-wynnmacau-idUSLNE84100M20120502>
- Master, F. (2012b). *Macau casino MGM China gets green light for new resort*. Retrieved June 4, 2013, from <http://www.reuters.com/article/2012/10/18/uk-mgmmacau-casino-idUSLNE89H02220121018>
- Master, F. (2013). *Sands lawsuits shine harsh light on Macau's casino paradise*. Retrieved January 15, 2013, from <http://www.reuters.com/article/2013/04/14/us-sands-macau-idUSBRE93D02I20130414>
- McCartney, G. (2008). The CAT (casino tourism) and the MICE (meetings, incentives, conventions, exhibitions): Key development considerations for the convention and exhibition industry in Macao. *Journal of Convention & Event Tourism*, 9(4), 293–308.
- MICE in Asia. (2008). *Hong Kong tourism board launches meetings and exhibitions Hong Kong Office*. Retrieved May 20, 2012, from <http://www.miceinasia.com/index.php?mid=1300&p=contents-item&id=2855>
- Preacher, K. J., Zhang, G., Kim, C., & Mels, G. (2013). Choosing the optimal number of factors in exploratory factor analysis: A model selection perspective. *Multivariate Behavioral Research*, 48, 28–56.
- Ricci, P. R., & Holland, S. M. (1992). Incentive travel: Recreation as a motivational medium. *Tourism Management*, 13(3), 288–296.
- Rittichainuwat, B. N., Beck, J. A., & Lalopa, K. (2001). Understanding motivations, inhibitors, and facilitators of association members in attending international conferences. *Journal of Convention & Exhibition Management*, 3(3), 45–62.
- Rogers, T. (2012). *Conferences and conventions: A global industry*. Oxford, UK: Butterworth-Heinemann.
- Rosson, P. J., & Rolf Seringhaus, F. H. (1995). Visitor and exhibitor interaction at industrial trade fairs. *Journal of Business Research*, 32, 81–90.
- Sangpikul, A., & Kim, S. (2009). An overview and identification of barriers affecting the meeting and convention industry in Thailand. *Journal of Convention & Event Tourism*, 10(3), 185–210.
- Severt, D., Wang, Y., Chen, P. J., & Breiter, D. (2007). Examining the motivation, perceived performance, and behavioral intentions of convention attendees: Evidence from a regional conference. *Tourism Management*, 28(2), 399–408.
- Severt, K., Fjelstul, J., & Breiter, D. (2009). A comparison of motivators and inhibitors for association meeting attendance for three generational cohorts. *Journal of Convention & Event Tourism*, 10(2), 105–119.
- Sivo, S. A., Fan X., Witta E. L., & Willse J. T. (2006). The search for “optimal” cutoff properties: Fit index criteria in structural equation modeling. *The Journal of Experimental Education*, 74(3), 267–288.
- Storey, C., & Easingwood, C. J. (1998). The augmented service offering: A conceptualization and study of its impact on new service success. *Journal of Product Innovation Management*, 15(4), 335–351.
- Tabachnick, B. G., & Fidell, L. S. (2007). *Using multivariate statistics*. Boston, MA: Pearson/Allyn & Bacon.
- Tang, L., Choi, S., Morrison, A., & Lehto, X. (2009). The many faces of Macau: A correspondence analysis of the images communicated by online tourism information sources in English and Chinese. *Journal of Vacation Marketing*, 15(1), 79–94.
- Tang, L., Scherer, R., & Morrison, A. M. (2011). Web site-based destination images: A comparison of Macau and Hong Kong. *Journal of China Tourism Research*, 7(1), 2–19.
- Wan, Y. (2011). Assessing the strengths and weaknesses of Macao as an attractive meeting and convention destination: Perspectives of key informants. *Journal of Convention & Event Tourism*, 12, 129–151.
- Whitfield, J., Dioko, L. D., Webber, D., & Zhang, L. (2012). Attracting convention and exhibition attendance to complex mice venues: Emerging data from Macao. *International Journal of Tourism Research*, 16(2), 169–179.
- Wong, I. A., & Rosenbaum, M. S. (2012). Beyond hardcore gambling: Understanding why mainland Chinese visit casinos in Macau. *Journal of Hospitality & Tourism Research*, 32(1), 32–51.
- Wu, A., & Weber, K. (2005). Convention center facilities, attributes and services: The delegates' perspective. *Asia Pacific Journal of Tourism Research*, 10(4), 399–410.
- Yoo, J. J., & Chon, K. (2008). Factors affecting convention participation decision-making: Developing a measurement scale. *Journal of Travel Research*, 47, 113–122.
- Yoo, J. J., & Weber, K. (2005). Progress in convention tourism research. *Journal of Hospitality & Tourism Research*, 29(2), 194–222.
- Zeng, Z., Prentice, C., & King, B. E. (2012). To gamble or not? Perceptions of Macau among mainland Chinese and Hong Kong visitors. *International Journal of Tourism Research*, 16(2), 105–112.
- Zhang, H. Q., Leung, V., & Qu, H. (2007). A refined model of factors affecting convention participation decision-making. *Tourism Management*, 28, 1123–1127.