

**ECONOMIC IMPACT OF CONVENTION AND MEETINGS  
TO MONTANA  
METHODOLOGICAL ATTEMPTS**

**Technical Completion Report 97-1**

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TO MONTANA  
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# Economic Impact of Conventions and Meetings to Montana

## Methodological Attempts

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### Executive Summary

#### Methodology Summary

- After a thorough review of literature, ITRR sought to replicate a study conducted by the International Association of Convention and Visitor Bureaus (IACVB).
- ITRR asked lodging properties to complete a survey/grid identifying all upcoming conventions and meetings, including the meeting planners' names and phone numbers.
- Meeting planners were then contacted to gain permission to mail surveys to a random sample of attendees and exhibitors. A list of attendees and exhibitors was requested from the meeting planner.
- After data collection, analysis and report preparation were planned.

#### Summary of contact with lodging properties

- 104 properties were identified as able to accommodate at least 50 people for a convention/meeting.
- 68 properties (66%) agreed to participate in the study.
- Of those 68 properties, only 32 properties (31% of the total 104 properties) returned usable surveys/grids.

#### Summary of contact with association meeting planners (based on 32 properties)

- Over 400 associations hosting conventions/meetings in Montana were identified.
- One hundred fifty-two associations were contacted (April-June meetings).
  - ⇒ 3 associations (2%) agreed to participate and sent their list of attendees and exhibitors.
  - ⇒ 14 associations (9%) agreed to participate but never sent their list.
  - ⇒ 9 associations (6%) would not release their list but would stuff surveys in packets.
  - ⇒ 60 associations (39%) would not participate for a variety of reasons.
  - ⇒ 52 associations (34%) were not accessible (i.e., ITRR could not reach them after at least 3 attempts).
  - ⇒ 4 associations (3%) returned unusable lists.
  - ⇒ 10 associations (7%) were undecided.

In conclusion, only 2% of the associations fully participated. Almost 3/4 either would not participate or ITRR was unable to contact the meeting planner.

## **Overview/Introduction**

Communities around Montana continue to seek conventions and meetings to enhance the economy of the area. National statistics provide economic impact estimates, but no study has been conducted in Montana to know the true value of conventions to the state. The purpose of this study, therefore, was to analyze the statewide convention business in terms of conventioner characteristics and economic impacts to Montana compared to national statistics.

The study had the following four objectives:

- To estimate the economic impact of conventions to a community and the state of Montana.
- To analyze the motivations behind choosing Montana as a convention site.
- To estimate the number and size of conventions around the state.
- To compare Montana convention statistics to national statistics.

In addition to meeting the study objectives, the results would have provided Travel Montana and the convention and meeting industry with the following information:

1. An estimate of the average daily expenditures of convention/meeting attendees
2. Characteristics of Montana conventions/meetings attendees

## **Methodology**

A thorough literature review was conducted to understand how national statistics are generated. ITRR contacted The University of Las Vegas's Hospitality and Tourism research department and two private consulting firms to obtain methods and results of convention economic impact studies. Because of confidentiality, information was not available. As a result, a method was designed to replicate a study conducted by the IACVB.

As a part of this replication, ITRR asked lodging properties to provide a list of all upcoming conventions and meetings, including the meeting planners' names and phone numbers. Meeting planners were then contacted to gain permission to mail surveys to a random sample of attendees and exhibitors. A list of attendees and exhibitors was requested from the meeting planner.

This methodology was deemed most feasible for several reasons. The magnitude of ITRR's study was significant, given time, budget, and staff constraints. Mail-back surveys seemed least intrusive to the properties, associations, and attendees.

IACVB's survey instruments were not available for public use; therefore, ITRR internally developed a set of survey instruments. Four surveys targeted four different populations: out-of-state attendees, in-state attendees, exhibitors, and the association

convention/meeting planner. All instruments were pilot tested on at least three industry people.

### Methodology Consultations

Industry personnel were contacted to determine the feasibility of the planned methodology. Three General Managers (GMs) and three directors of sales (DOSs) from Missoula lodging properties were contacted to solicit impressions and input. The study was explained, the methods were described, and the information sought was detailed. Of particular importance was these peoples' feelings regarding whether properties would release names and phone numbers of the association meeting planners to ITRR. The results of this particular question were mixed: one GM and one DOS would participate while two GMs and two DOSs would not participate.

Due to these mixed results, the opinions of the Executive Director of the Montana Innkeepers Association (MIKA) were solicited. He foresaw no problems and felt property owners/managers would be very willing to participate. He stated, "They are hungry for this data." He recommended contacting eight GMs throughout Montana whose names and telephone numbers he supplied. Seven of the eight properties indicated they would participate in the study. (Only three of these eight did participate.)

### Association Pilot Test

A pilot test was also conducted on one participating association. Thirty-six surveys were sent to out-of-state attendees. To date, 26 attendees (72%) responded.

### Agreement from Properties

To compile a list of properties, two sources were used. One source was the Montana Meeting Planner's Guide 1996-1997. The other source was nine CVBs throughout Montana. These sources identified 104 facilities able to accommodate conventions/meetings of 50 or more.

In January, a letter from Travel Montana and a letter from ITRR were sent to those 104 GMs. The letter from Travel Montana encouraged the properties to participate in the study. The ITRR letter explained the study and detailed the information which would be sought.

In February, initial telephone calls were placed to each GM to determine if he/she wished to participate. The GMs were telephoned at various times. If necessary, at least three phone calls were made. In all cases, a message was left.

Sixty-eight (66%) of the GMs agreed to participate. A survey/grid form was mailed to the 65 GMs. The survey/grid requested the following information: name of the association, name of association's meeting planner, his/her phone number, type of convention, estimated attendance of each convention/meeting, dates of the convention/meeting, and the estimated % of out-of-state attendees. ITRR compiled a data bank from these completed survey/grids. (All confidential information will be destroyed.) Thirty-two of the 68 participating properties returned surveys/grids.

Agreement from Associations

In excess of 400 associations were identified by the 32 participating properties. ITRR attempted to contact all associations with conventions/meetings scheduled during April - June. An introductory letter describing the study was sent to each association. A follow-up phone call was placed to determine if the association would participate. (ITRR planned to contact meeting planners on an on-going basis through December.)

**Results**

The tables below describe the results of ITRR's contact with properties and associations.

Property Results

The following table details the results of the initial phone calls to the 104 GMs:

Table 1 Correspondence with 104 GMs

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<u>Response</u>	<u>Frequency</u>	<u>%</u>
Agreed to participate	68	65
Did not want to participate*	24	23
Unable to reach/did not respond**	<u>12</u>	<u>12</u>
	104	100%

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\* Reasons for not participating: too small for meetings, too much paperwork, not interested, unwilling to give out assoc. info., too new, not in the market

\*\* After at least three attempts at different times of day

The following table details the results from follow-up correspondence with the 68 GMs who agreed to participate:

Table 2 Results from 68 GMs who agreed to participate

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<u>Response</u>	<u>Frequency</u>	<u>% of 68 Participating Properties</u>	<u>% of 104 Total Properties</u>
Returned complete survey	32	47%	31%
Returned incomplete survey	6	9%	6%
Changed mind; did not participate	7	10%	7%
Did not participate, despite several follow-up calls	<u>23</u>	<u>34%</u>	<u>22%</u>
Totals	68	100%	66%

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## Associations' Results

152 initial phone calls were made to associations to determine if they would participate (152 does not reflect follow-up calls).

Table 3 Association Results

Yes, will participate. ITRR has received the list.	Yes, will participate. ITRR has NOT received the list.	Yes, will participate, but: a) the assoc. cannot release names, so the assoc. will place surveys randomly in registration packets, b) the assoc. pays for everything, so they only need the association survey.	No, will not participate because of various reasons. Examples of <i>some</i> reasons were: a) we are not interested, b) not worth our time, c) only locals attending, d) mostly youth attendees, e) less than 25 people	No, will not participate because names cannot be released; nor can surveys be randomly placed in registration packets.	Unable to get in touch with contact person. In all cases, three or more attempts were made.	Assoc. sent list but was unusable (no attendees' addresses listed or less than 25 attendees).	Assoc. unsure whether they will participate. Assoc. said they will get back to us and have not.
n=152 3 Associations	n=152 14 Associations	n=152 9 Associations	n=152 36 Associations	n=152 24 Associations	n=152 52 Associations	n=152 4 Associations	n=152 10 Associations
<b>2%</b>	<b>9%</b>	<b>6%</b>	<b>23%</b>	<b>16%</b>	<b>34%</b>	<b>3%</b>	<b>7%</b>

3 definite 'Yes'  
 23 conditional 'Yes'  
 60 definite 'No'  
 52 'unable to contact'  
 4 incomplete list received  
 10 unsure  
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 152 responses

## **Recommendations**

ITRR attempted to collect data from Montana lodging properties and associations in order to analyze statewide convention business. However, the data collection process was unsuccessful due to low response rate. Therefore, the following recommendations are provided.

- Data collection was planned via a mail-back survey. Due to low response rates (i.e. 35% of the properties and 83% of the association unwilling to participate), it is recommended that on-site surveys be conducted when feasible. Although this data collection method is more intrusive to the properties and their guests, the problems of client confidentiality and telephonic communications may be overcome or greatly reduced by this method.
- Initially 65% of the General Managers agreed to participate. However, only 32% returned completed surveys. If such a study is to be replicated, it is recommended having face-to-face meetings with General Managers at the very beginning of the study. Such a meeting would allow General Managers to put a “face” with the Institute. Also, important issues could be discussed: purpose of the study, the importance of participation, and proposed results. Although introductory letters explaining the study and follow-up telephone calls are necessary, perhaps taking that extra step to meet property personnel may clear up further questions about the study or the organization conducting the study. Hopefully such efforts would create a greater willingness to participate.
- During the data collection process, fifty-two associations (34%) were inaccessible by telephone during regular business hours. Therefore, it is recommended that attempts to contact associations be extended into evening hours.

## **Summary**

ITRR staff anticipated several roadblocks in this investigation. The first roadblock was securing participation by the properties. The second roadblock was securing participation from the associations. In both cases, confidentiality was the main concern. (It is important to note that these roadblocks would have existed if ITRR staff had gone on-site. Permission from the property and from the association would have been required.)

To overcome these roadblocks, ITRR consulted with various industry people (via pilot studies). Results of these and other efforts led ITRR staff to believe the selected methodology was feasible. For example, 65% of the properties agreed to participate. A pilot study of attendees from one meeting yielded a 72% response rate.

However, actual participation was far less than anticipated.

- Of the 68 properties agreeing to participate (65%), only 32 returned useable surveys (31% of the total).
- One hundred fifty-two associations were contacted; only 3 (2%) agreed to participate.
- For 52 associations (34%), ITRR was unable to reach the meeting planner (e.g., wrong phone numbers, wrong addresses, no return calls, etc.).

Two ITRR researchers were involved full-time with this study during January and February. One researcher was involved full-time during March and April. Considerable time and effort have been invested. Low response rates indicate that the current method of data collection is not working and must be changed. The best alternative is to conduct a case study of the economic impacts of conventions and meetings on a selected Montana community. These efforts would allow a more concentrated effort, both geographically and methodologically.