



# Exploring the Perceptions of Meeting/Event Planners and Sport Facility Administrators on Hosting Meetings/Events at Sports Facilities

Seungwon "Shawn" Lee, PhD.
Assistant Professor
Tourism and Event
Management
George Mason University
10900 University Blvd.,
MS 4E5
Manassas, VA USA 20110
slz@gmu.edu

Charles Parrish, MS
Doctoral students
Sport Management
George Mason University
10900 University Blvd.,
MS 4E5
Manassas, VA USA 20110
cparrish@masonlive.gmu.edu

Ji-Ho Kim, PhD.
Assistant Professor
School of Sport Science
Wingate University
220 N. Camden St.
Wingate, NC USA 28174
j.kim@wingate.edu

### **ABSTRACT**

Meeting and event planners are constantly searching for unique venues to provide a one-of-a-kind experience for their clients and attendees. Many newly constructed sport facilities market themselves as a unique meeting/event venue equipped with state-of-the-art features and full meeting/event planning services. This research investigated the perceptions of sport facility administrators (seller) and meeting/event planners (buyers) to identify the advantages and disadvantages of major outdoor sport facilities as a meeting/event venue. The findings provide useful information for sport facility administrators to improve their awareness and positioning as an attractive meeting/event venue to meeting/event planners.

KEYWORDS: Meeting/event venue, sport facility, meeting/event planner, qualitative study

# INTRODUCTION

\$3.34 billion was spent on new sport facilities during 2008 (Muret, 2008) and between the years of 2008-2011, \$8.137 billion was invested in new major renovation expenses across the major professional leagues in the United States (Baade & Matheson, 2011). In order to maximize their return on investment, financial stakeholders of sport facilities seek to identify and develop every possible revenue resource year round. One strategy sport organization and stadium administrators use to generate additional profits beyond game day related revenue is by utilizing their venues to host a variety of non-sporting events (i.e. meetings, trade shows, corporate outings, social events, etc.) during the off season and on non-game days during the season through facility rental agreements and event service. Consequently, most of today's newly constructed and renovated major sport facilities incorporate many key features and services to support a variety of meetings and events. (Lee, Kim & Parrish, 2012).

The purpose of this study is to explore the perceptions of sport facility administrators (seller) and event/meeting planners (buyers) regarding the advantages and disadvantages of using an outdoor sports stadium as a site for corporate and social events.

# LITERATURE REVIEW

Multi-purposed Sport Facilities as Meeting/Event Venue

Despite the significant expenses associated with sport facility construction and renovation, these venues have become disposable structures over the past two decades (Mankin, 2010). In an effort to accommodate the needs of the main tenant (i.e. sports team), the best sports stadiums are increasingly becoming design specific, which results in less flexibility and economic inefficiency (Mankin, 2010). Although the public sector, which includes tax payers, often subsidizes a significant amount of the cost associated with major sport facilities (Rosentraub, 2010), all financial stakeholders involved in the construction and finance of sport facilities are eager to identify and develop every possible revenue stream year round. Therefore, it is logical that a variety of spaces, features, and services should be incorporated into the design and overall plan of newly constructed or renovated sports facilities to enhance the overall revenue generating

potential of the venue. For example, Pizza Hut Park in Dallas, Toyota Park in Chicago, and others were built with permanent stages to host concerts and festivals. However, Pizza Hut Park hosted only a total of 20 public events in 2010 thus for most of the year it remained vacant (Malkin, 2010).

In order to address these issues, a sustainable and long-term plan to maximize the use of sports facilities is needed. Lee, Kim and Parrish (2012) have conducted an extensive review of professional outdoor sports facilities in regard to available event and meeting related spaces, features and service via their franchise teams' websites. Their research identified that the newly opened and renovated professional sport facilities are capable of hosting various types of events, such as weddings, meetings, trade shows, holiday parties, birthday parties, and cocktail receptions among other events. These sport facilities also offer a variety of spaces, equipment, and services for any type of event, such as A/V equipment, on-site event coordination, cheerleader/team mascot/player appearance, and designated event space. Among the various reviewed event features, video scoreboard display and cheerleader/team mascot/player appearance are considered unique features to sport facilities. However there is a shortage of scholarship and empirical research regarding the use of these venues as sites for meetings and events.

# Meeting/Event Venue Selection

A facility/site is often a key factor that influences the overall success of an event or meeting (Bowdin, McDonnell, Allen & O'Toole, 2006). Therefore, there have been vigorous efforts to identify which elements are important when event /meeting planners select a facility. Crouch and Ritchie (2004) summarized previous studies on the determinants of convention site selection and developed eight categories of determinants, including meeting facilities. The "meeting facilities" category includes capacity, layout cost, ambiance, service, security, and availability. Most studies have focused on attributes related to meeting/event purposed venues (i.e. convention center, convention hotel). While meeting/event planners seek unique and memorable venues to create an out-of-the-box experience to their attendees, research of unique meeting/event venues is sparse; a cruise ship (Fawzy, 2008); and a Chinese restaurant (Lau & Hui, 2010).

# **METHODOLOGY**

This study examined sport facility manager and event/meeting planner perceptions related to hosting meetings and corporate and social events at major professional sports stadiums. Research questions focused on the advantages and disadvantages of using sports stadiums as sites for meetings/events.

A qualitative design was used to access participant perceptions as this approach is considered a useful method (Morse, 1994; Patton, 2002). Purposeful sampling (Patton, 2002) was used in this study, where the selection of participants was based on the following criteria; 1) a professional role as a sport facility administrator at a major outdoor sports stadium; or 2) an events/meetings planner with the capacity to make site selection decisions. Based on the

aforementioned criteria, the authors conducted three in-depth interviews with a sport facility administrator at three different major outdoor professional sports venues. Of the sport facility administrators, two semi-structured interviews were conducted. One stadium administrator chose to provide written responses to the interview questions through email communication. Seventeen semi-structured interviews with event/meeting planners were conducted and due to scheduling conflicts two participants provided written responses to the interview questions through email communication.

Each of the sport facility administrators were in upper management positions with the capacity to make decisions related to soliciting and managing social and corporate events at their respective stadium. Collectively these participants had over 60 years experience in the industry. Each event/meeting planner selected to participate in this study were included based on the qualification that they had authority to make site selection decisions for their respective companies. Event/meeting planners represented two distinctive employment categories: corporate private sector (n = 13) and government employee (n = 4).

The open-ended interview questions were developed and pilot tested by the authors and revised for grammar, clarity, and fit. A semi-structured interview technique with probing questions focused the dialogue and allowed for comparison across participants with sensitivity to the contextual nuances associated with each setting and experiences. Responses to the interview questions were tape recorded and later transcribed by the researchers. In the cases where a face to face interview was not possible written responses to interview questions were submitted electronically as an email attachment by participants.

The researchers conferred as a team to discuss and achieve consensus on the emergent themes. To enhance confidentiality, we have assigned pseudonyms to participants in this study.

# **FINDINGS**

For stadium administrators, the advantages they perceive major outdoor sports venues offer include 1) accessible and adequate parking, 2) high quality on-site event catering services, 3) comparable meeting infrastructure (audio/visual, lighting, flexible spaces), 4) a unique value associated with the glamour and celebrity of sport, and 5) the ability of professional sports to tap into personal identity and nostalgia. For example, "Bradley" is an executive with over forty years experience in managing sports facilities who now focuses solely on selling stadiums as sites for corporate and social events to event/meeting planners. From his perspective sports venues offer clients "the ability to create a field of dreams" as it "puts them back in their childhood, so you're creating added value". Elaborating further on the advantages major sports stadiums offer as sites for corporate and social events, Bradley stated:

When you look at those types of venues, beside the glamour of sports, you have the proximity, parking, the ability of lighting...you have the ability to bring major entertainment to the venue. We already have the acoustical network and the technologically is pretty much advanced. If you needed your company or organization president to speak from LA, you can place him on the 6 sided Jumbotron and he can

speak openly to everybody. Socially, we have moved the menus up dramatically. We can accommodate multiple tastes, multiple service entities...you are no longer looking at just a meal period. You can accomplish breaks and things like that. You can also change and understand a retail component. I can change out my product line including all my signage to be target driven.

David, an administrator with over 16 years of experience managing a major professional outdoor stadium, emphasized much of what Bradley communicated by noting that when groups lease his outdoor sports venue:

There is the cool factor that you are in a stadium. There are not a lot of areas that have as much real estate (with asphalt). We sit on 110 acres of land. One advantage the stadium does have, I would say, is parking. If you are coordinating a meeting you don't have to look for or pay for parking. To me this is a huge thing...a huge advantage.

With respect to perceived disadvantages, stadium administrators recognized the limitations stadium ownership places on their ability to generate non-sports event related revenue. Also, they acknowledged that there is a general "lack of knowledge" among event/meeting planners and the general public that sports stadiums are equipped and available for use for corporate and social events. Specifically, Bradley communicated to the researchers that:

The ownership element is complex as rarely are venues singularly owned as cities often own the bonds that were used to privately finance the venue. It's a 'Tug of War'. Who really owns the venue and what is the influence? Is there a political influence? If not, it's easier to deal with. You are not saying it's not impossible to deal with, you are saying it can be a little more strenuous. I don't think the pricing has ever been an issue, it's the lack of knowledge...many didn't think the facility could ever do anything like that and their mind says, well they have hotdogs, popcorn, and beer and I don't want to do that.

The analysis of the responses provided by event/meeting planners suggest they, like the stadium administrators, consider parking an advantage to utilizing a major outdoor sports stadium for corporate and social events. Also, event/meeting planners overwhelmingly viewed major sports stadiums as a site that could provide a unique experience for the end users. Todd and Robert are two event planners in a metropolitan city on the east coast of the United States with no experience using a stadium as a site for a corporate or social event. However, when asked to conceptualize utilizing this type of venue both agreed that "Stadiums are surrounded by a big parking lot" and this abundant parking "is a definite advantage" for the site. Tina and James, an event sales director and event planner working for the same company, are increasingly seeking out unique venues beyond hotels and convention centers for their clients. Both mentioned that "a sport facility has a unique value, particularly if the team in the venue has a strong brand. This would only enhance the site as a desirable event/meeting space, by merging the team's image

with the event theme". Janice, a senior level meeting planner, also cited these advantages as well:

Almost every (stadium) location is built in an area where you have good parking, so this has been something that has drawn us into these venues. Amusement Parks, sports teams, all of these are unique venues that are usually metro accessible, parking accessible, something of that nature. So that is kind of what has been drawing us into it. The reason why we chose to use some of these unique venues is when you keep having the same old dry meeting topic you need to entice them to come. The unique venue will make them come.

Finally, event/meeting planners acknowledged that the glamour of sport and having access to spaces generally reserved for celebrity sports figures are attractive advantages sports stadiums have that typical event and meeting spaces such as hotels and convention centers do not. Although Todd and Robert had no experience planning or coordinating an event at a sports facility both recalled attending a social function at a stadium where a celebrity athlete made an appearance as part of the event. Both agreed this enhanced the experience and mentioned for certain events "incorporating celebrity athletes could be appealing to the right clientele".

Event/meeting planners perceived a number of disadvantages when considering selecting a major professional outdoor stadium as a site to host corporate and social events. The themes that emerged from the interview data included 1) inferior quality of meeting services (i.e. food, audio/visual), 2) complex planning and logistics, 3) a peripheral location, 4) being unfamiliar with the site and its infrastructure, and 5) unknown pricing structure.

Janice articulated two of these issues during our interview:

Some of the biggest issues I see we come into are...revolving around catering. Most of these venues now have in-house catering and that comes with limitations. One time we had a meeting out at (X) Field as they have some limited conference space and special event space, but they're a little far, further away.

Mary, a government employed event and meeting planner, acknowledged that while some sports stadiums are located in advantageous locations in the heart of some metropolitan areas she emphasized that, more important than the venue location, the major barrier preventing her from considering it as an event site was the "fear of the unknown". For Mary, event and meeting planners are comfortable with using familiar spaces like hotels and convention centers. She personally would not be familiar with stadium amenities and therefore would not know what to expect during the planning phase.

Beyond perceiving limited catering options and the "fear of the unknown", several event and meeting planners perceived the process of event planning and event production logistics as complex. Todd and Robert emphasized that a negative aspect of using an outdoor stadium is the confusing nature of stadium entrances/logistics. Certainly, stadiums have many entrances and

both agreed that if their clients and guests entered into the wrong entrance and discovered they had to walk to the "other side of the stadium then everyone would be mad at me". As event and meeting planners, they felt that they would be risking not retaining a client's business if this were to occur. After agreeing that having clearly marked entrances and stadium ushers for directional purposes would help these events and meeting planners would prefer to eliminate this particular operational risk by using a conventional hotel or convention center. From their past experiences, they know these venues have easy to navigate designated event entrances as well as information kiosks and staff to aid event attendees.

Pricing was another perceived disadvantage associated with using stadiums as sites for corporate and social events that emerged across the data. This issue was particularly emphasized by government employed event/meeting planners. All four government employed participants in this study face internal budget restrictions on leasing off-site facilities when "in-house" space is available at no additional cost. Due to this restriction Tasha, an event and meeting planner employed by the Federal government, had never even considered utilizing a stadium as an event or meeting venue. She felt her organization's budget restrictions fell short of the fees she assumed to be associated with a large sports stadium.

It is important to emphasize here that costs and budgets are key factors for any venue to successfully solicit business from private sector and government employed event/meeting planners alike. Certainly, government budget restrictions on leasing "off site space" may be tighter and a significant barrier not easily mitigated by stadium administrators since it would require policy changes within the government agency itself and not simply a polished salesperson to convince the decision maker. However it is necessary to consider the issue when target marketing stadium spaces across the various advertising outlets and how a lack of knowledge related to pricing may be negatively impacting a stadium's ability to generate event and meeting related business. If this particular government employed event and meeting planner was aware that she did not have to lease the entire stadium and that various affordable spaces within the stadium exist, she perhaps would consider it as a site in the future.

# **CONCLUSIONS**

The findings of the study reveal both similarities and differences with respect to the perception of the advantages and disadvantages of hosting corporate and social events at major sports facilities across facility administrators (sellers) and event/meeting planners (buyers).

Both sellers and buyers overwhelmingly viewed major sports venues as a site that could provide a unique experience for event/meeting attendees. While sport stadiums are equipped with meeting/event hosting features and services, it was evident that there is a general lack of awareness and poor positioning of sport facilities as an event/meeting venue in the mind of event/meeting planners. To enhance their positioning outdoor sport facilities should revamp their presence across the various advertising outlets. For example, many trade shows are held to allow venues and destinations to promote their sites and initiate contacts with potential event and meeting planner clients. Stadiums with meeting/event hosting capacity should actively

participate and market their venues at these destination shows. Organizing familiarization tours (FAM) of sports facilities specifically for meeting/event planners can also improve the awareness of sport facilities as sites for meetings and events.

Costs and budgets are often key factors for any venue selection. There is a lack of knowledge related to pricing and it may be negatively impacting a sport facility's ability to generate event and meeting related business. To successfully solicit business from event/meeting planners, it is necessary to educate potential buyers that various affordable spaces within the sport facility exist that may indeed fit their budget. The event and meeting planner participants in this study perceived the fee associated with leasing a major outdoor stadium to be too costly and they were generally unaware of the possibility of only leasing a space or section within the venue itself at an affordable price.

The results of this study, provide researchers and industry professionals with a better understanding of the positioning of major sport stadiums as event venues in the lucrative events and meetings industry in the minds of two key stakeholders; those who seek to generate additional revenue streams through leasing out stadium space for corporate and social functions (sellers) and the individuals who are responsible for selecting and coordinating the events themselves (buyers). Though stadiums may not be comparable to meeting/event purposed venues, they are competing with hotels and convention centers for the revenue associated with some of the same functions (i.e. social functions and corporate events). Although event and meeting planners may not be aware, major outdoor stadiums provide a unique venue with high quality meeting/event features and services to attendees who are looking for a unique experience. The findings of this study can help sport venue administrators differentiate and position their product in the market by addressing their perceived weaknesses while also promoting their strengths as communicated by their target customers.

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