

Academic Research Interests Of Casino Resort Properties

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Abstract

This study surveyed department executives and chief executive officers from casino resort properties. The 52 respondents represented 22 percent of the total surveyed. These respondents were asked to indicate how much their company valued outside research, and the best vehicle for distributing outside research to casino resort properties. They were also asked to rate their relative degree of interest in specific research topic areas. The results indicate that most of the casino resort properties were interested in academic research. The analysis of specific research topics revealed that there was a significant level of interest in consumer behavior, competitive markets, and employee relations by casino resort properties' top level management. **Key words:** *academic research, applied research, consumer behavior, gaming.*

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Introduction

Academic research in hospitality management has significantly increased in the past two decades due to an expansion and maturation in higher education hospitality programs. Hospitality academic research published to date has not been evaluated for its contributions to casino resort properties. Developed disciplines such as medicine, social sciences, finance and law have formulated sophisticated methods to measure the contributions of research to their respective areas (Rutherford & Samenfink, 1992).

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It is therefore essential that hospitality researchers construct and authenticate information about the gaming industry. Hospitality researchers frequently present a new spin on the practical application of information. However, they have been unsuccessful in energizing substantial progress in procedures of management in the hospitality industry (Riegel & Lambert, 1991). To make any meaningful contribution towards the hospitality industry in the 21st century, academic researchers must address consequential issues within the hospitality industry, rather than supporting the status quo (Powers & Riegel, 1993). Therefore, hospitality researchers must aspire to bridge the gap between academic research interests and the business research interests of casino resort properties.

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Traditionally, academic literature in the hospitality field merely analyzed and interpreted innovations constructed elsewhere. For academic research to be of interest to casino resort properties it must be *applied research*. For the purpose of this study, applied research was defined as the systematic study and investigation of concrete problems by data gathering, in order to gain knowledge or establish new facts and principles through the construction of models, surveys, diagrams, and plans (Kasanen, Lukka, and Sitonen, 1993). Examples of applied research are found in clinical medicine, technical sciences, operational research and in some areas of management accounting and finance (Kasanen, et al., 1993).

To obtain an understanding of casino resort interest in applied research, this study replicates research done by Brymer, Rousselle and Johns (1990). Their study focused on academic research interests of hospitality corporations, excluding gaming corporations. Results from their study demonstrated that hospitality corporations do have at least moderate interest in applied academic research. The major purpose of this study was to determine the current scope and level of casino resort interest in applied academic research in a major hospitality resort location. Specifically, the objectives of this study were: a) to determine the future need for applied research in casino resort properties; b) to determine the best vehicle to disseminate academic research information to these properties; and, c) to specify the principal research drive of the casino resort properties for the 21st century.

Review Of Literature

Most of the extant hospitality literature on research needs in the hospitality industry deals predominantly with the research interests of the 1980's (Rousselle, 1980; Brymer and Rousselle, 1983 & 1986; and Tse, Olsen, & Wyckoff, 1983). In the 1990's, electronic communication, reengineering, and downsizing have created a paradigm shift in hospitality management from centralization to decentralization of the span of control. The move toward decentralized organizations suggests a shift of focus toward unit management and away from system management in

operations planning and control (Powers and Riegel, 1993). As a result, it can be anticipated that the industry will demand more applied research. This shift occurs as a result of the increase in technology and technical ways of conducting business.

Although information technology has significantly impacted the hospitality industry, the direction and pattern of research can be perceived as vague as we enter the twenty-first century. Khan and Olsen (1988) noted more research was needed in the area of applied, basic and developmental research. There exists a real danger that the future of hospitality research will not have any real connection with the industry (Clark, 1988). Miller and Olsen (1988) indicate that the industry was very concerned about the future of academic research. Various scholars estimate that up to 80% of today's scholarly publications contain uninteresting or trivial research results (Allman, 1988).

The Need For Research

Brymer, Rousselle and Johns (1990) studied academic research interests of hospitality corporations. Their findings clearly indicate that research has an important role to play in the hotel and restaurant industries, and that the information provided by applied research to business problems can be successfully incorporated into the decision making process. Their study suggests that research does have a role in the industry, and that this role can impact the hospitality workplace.

A similar study by Brymer and Rousselle (1986) confirmed a generally held view that few hotel chains actually operate their own research departments, and where in-house research activities are performed, they deal mostly with operation and personnel problems on a short term basis. Since most properties do not have an in-house research department, academic research can address some of the industry's needs. A study by Sheldon, Liu and Gee (1987) states that as service industries now dominate the US economy, and tourism related industries in particular provide a promising prospect for future economic growth, better understanding and planning for this important sector will require reliable information provided by funded research at all levels.

With the growth in the gaming industry, Eade (1994) suggested that priority should be given to understanding the needs of casino resort properties' most important asset, human resources. Cummings (1996) also indicated that as legalized gambling becomes more widespread, the gaming industry would most likely demand more from academic programs offering gaming management education. Therefore, more academic research will be necessary to understand the unique nature and culture of the gaming industry. According to Sebastian (1998) several business schools such as Harvard, Wharton, and Chicago were translating academic research into readable pieces that were of practical value to business professionals. It is therefore imperative that academics try to understand the demands and research interests of the gaming industry in relationship to the hospitality environment. By understanding gaming industry demands they can interface gaming with other subjects, such as accounting and human resources.

Can research that was conducted by academia be of value to casino resort properties? According to Schaffer (1984), the vast majority of research activities do not focus on topics that are perceived to be of critical importance to the hospital-

ity industry. Schaffer (1984) also states that research activities have been highly diverse, covering an extremely broad range of topics and issues. In few instances research efforts have substantially addressed issues that are perceived as being priority problems for the industry. Brymer, et al. (1990) state that by learning more about the interest hospitality corporations have in academic research, hospitality educators conducting research may have a valuable resource available in guiding future research projects. That study and similar surveys of chief operating officers have consistently shown that hospitality executives do have an interest in academic research (Brymer, et al., 1983, 1986,1990).

Availability Of Research Data

Sheldon, et al. (1987) stated that research can help managers understand both short term changes in the market, and long term trends, thus assisting business in improving and developing product lines, enhancing the effectiveness of operations, and increasing satisfaction for employees and customers. They also stated that in the world of business, research must usually serve a practical end. So there has been a demand for research, and research continues to be conducted. But has research been put into the hands of those who can actually use it in the industry?

The challenge remains of getting research information to gaming and hospitality executives in a form that can be easily identifiable.

Olsen, Tse and Bellas (1984) state that finding research information in the hospitality industry has proven to be a challenging task. In conjunction, Schaffer (1984) states one reason for this apparent lack of focus may be a serious, two-way communication gap between those who conduct research and industry practitioners. He also states that industry leaders, both academicians and practitioners, need a vehicle through which industry research issues and priorities can be communicated. While the number of academic journals in hospitality has increased since the 1980's, this has been due to the demand of the academic environment. Few industry leaders are reviewing these journals.

This review of literature demonstrates that research was identified as needed for the hospitality industry. It also notes that research can provide information useful to the industry. The challenge remains of getting research information to gaming and hospitality executives in a form that can be easily identifiable. Since the 1980's however, little research has been done to identify specific research needs of the hospitality industry. This study is an attempt to resolve that shortcoming by focusing on the research needs of casino resort properties.

Methodology

While significant research needs to be conducted nationwide of the concerns of hospitality industry professionals, this study addresses only a segment of the

hospitality industry. The casino resort properties segment of the hospitality industry was selected to determine its interests in academic research, since no prior study has been conducted in this area. The metro area of Las Vegas, Nevada was selected due to its niche in the casino resort area of hospitality. To further categorize the study, only properties containing 500 rooms or more were surveyed. The total number of properties surveyed was 39. This segmentation allows for a sampling of the resort type gaming properties that are prevalent in the metro Las Vegas area. Properties included in the sample were selected based on the listing of Las Vegas hotels as provided by the Las Vegas Convention and Visitors Authority.

In order to determine the need for academic research, the best means to receive the results, and the best vehicle to disseminate research information, the positions of chief executive officer, vice president of gaming, vice president of operations, vice president of food and beverage, and controller were included as members of the sample. Individuals that work at these levels have a direct impact on decision making and therefore would be most interested and affected by academic research. The total number of individuals contacted by the survey was 234.

The survey instrument was adapted and modified from Brymer, et al. (1990), who surveyed hotel and restaurant chief executive officers nationwide. Specifically, the Brymer study serves as the basis for the research topics listed in this survey as well as the use of the five-point Likert scale with a 1 ranking of no value and a 5 ranking of great value. The inclusion of the question regarding the ranking of the respondents' top five research topics was intended to determine future research direction, as well as to better differentiate data from what was received in Brymer, et al. (1990). Additionally, space was provided on each instrument for the respondents to write in other comments regarding academic research.

Graduate faculty members in a hospitality management program at an established university reviewed the instrument. The faculty members were asked for their input in regard to two critical areas. First, they evaluated the extent to which the questionnaire covered the areas of research in hospitality management. Second, they offered their advice in rewording or modifying unclear questions in the instrument. Any input by these faculty members was welcomed and incorporated into the questionnaires.

The survey was mailed to the chief officers, vice presidents and directors at each property. Included was a cover letter requesting input on which areas of research that would be most valuable to their company, and a self-addressed, stamped envelope. Due to the time constraints of completing the study within a semester, there was no follow up contact to encourage a larger response. As a result, only 52 responses were received from the 234 surveys mailed to the top management of these 39 casino resort properties.

Results

Fifty-two hotel executives responded, representing 22 percent of the total surveyed. Table 1 identifies the respondents based on the number of rooms in their respective properties.

Table 1

Property Size and Response Rate

| # of Rooms | Total # of Surveys Sent | # of Respondents | Response Rate |
|------------|-------------------------|------------------|---------------|
| 500-999 | 90 | 15 | 16.7% |
| 1000-1499 | 24 | 0 | 0% |
| 1500-1999 | 24 | 10 | 41.7% |
| 2000-2999 | 48 | 16 | 33.4% |
| 3000-3999 | 30 | 7 | 23.4% |
| ≥ 4000 | 18 | 4 | 22.3% |

In the variable of property size, 41.7% of those surveyed in the 1500-1999 rooms category responded, making that the highest response category (see Table 1). The second highest response came from the 2000-2999 rooms category with a 33.4% response. The lowest response rate came from the four properties in the 1000-1499 rooms category, which had no responses returned.

In response to the request for specific job title, responses were grouped into four specific categories: 1) gaming, including slot operations manager and vice president of gaming, 2) food and beverage, including director of food and beverage, 3) finance, including chief financial officer and controller, and 4) hotel operations, including director of operations and chief executive officer. Table 2 identifies the number of respondents from each of the four specific areas based on position title. There was similar representation among the 52 respondents regarding the four position titles in the casino resort properties.

Table 2
Position Title

| Area | Number of Respondents |
|-------------------|-----------------------|
| Hotel Operations | 16 |
| Gaming | 15 |
| CFO/Controller | 12 |
| Food and Beverage | 11 |

In reference to the specific questions asked with regards to the company and their value for research, the mean response was 4.0 (standard deviation of 0.78). That indicates academic research was valued by casino resort hotel properties. When asked to itemize the value of specific sources of receiving academic research (see Table 3), respondents indicated that networking was most valued, with academic research following. The least valued sources were identified as consultants and the Internet.

Table 3
What value are the following sources of information?

| Sources | Mean | Standard Deviation |
|----------------------------|------|--------------------|
| Networking | 3.7 | 0.79 |
| Academic Research | 3.5 | 1.12 |
| Conferences | 3.4 | 0.96 |
| Trade Journals | 3.4 | 1.02 |
| Professional Organizations | 3.4 | 1.10 |
| Consultants | 3.1 | 1.11 |
| Internet | 3.1 | 0.96 |

Scale: No value 1 2 3 4 5 Great value

The best vehicle for distributing research information (see Table 4) was identified as trade journals with a mean ranking of 3.7, with the lowest rankings again being consultants and the Internet. Academic research ranked fourth, but was still valued by properties.

Table 4
The best vehicle for distributing research information

| Vehicle | Mean | Standard Deviation |
|----------------------------|------|--------------------|
| Trade Journals | 3.7 | 1.02 |
| Networking | 3.6 | 0.92 |
| Conferences | 3.5 | 1.02 |
| Academic Research | 3.4 | 0.86 |
| Professional Organizations | 3.4 | 1.10 |
| Fax | 3.4 | 1.34 |
| Internet | 3.3 | 1.05 |
| Consultants | 2.3 | 1.02 |

Scale: Least effective 1 2 3 4 5 Most effective

In response to ranking of specific research topics (see Table 5), the highest mean response was consumer behavior with a mean of 4.4, followed by competitive markets with a mean of 4.3. The topics ranked with the lowest mean were site selection, energy control and finance, all with a 3.1 mean. With all mean scores above 3.0, all topics were considered areas of interest, with more emphasis being placed on the higher-ranking items.

Table 5
Areas of Research Interest

| Topic | Mean | Standard Deviation |
|----------------------------|------|--------------------|
| Consumer Behavior | 4.4 | 0.86 |
| Competitive Markets | 4.3 | 0.83 |
| Promotion | 4.2 | 0.92 |
| Productivity | 4.2 | 0.92 |
| Employee Motivation | 4.1 | 0.98 |
| Training | 4.1 | 0.92 |
| Management Development | 4.0 | 0.91 |
| Employee Development | 4.0 | 0.92 |
| Advertising | 3.9 | 1.07 |
| Forecasting | 3.9 | 1.23 |
| Employee Hiring/Recruiting | 3.8 | 1.13 |
| Cost Control | 3.8 | 1.32 |
| Strategic Planning | 3.8 | 0.95 |
| Guest Amenities | 3.7 | 1.12 |
| Labor Scheduling | 3.7 | 1.19 |
| Yield Management | 3.7 | 1.26 |
| Budgeting | 3.7 | 1.34 |
| Information systems | 3.6 | 1.3 |
| Merchandising | 3.6 | 1.01 |
| Supervision | 3.6 | 1.07 |
| Wages/Benefits Admin | 3.5 | 1.24 |
| Product Development | 3.4 | 1.18 |
| Feasibility Studies | 3.4 | 1.19 |
| Union/Labor Relations | 3.4 | 1.32 |
| Property Maintenance | 3.3 | 1.32 |
| Food Handling | 3.3 | 1.38 |
| Property Design | 3.3 | 1.37 |
| Sanitation | 3.3 | 1.38 |
| Accounting | 3.2 | 1.38 |
| Equipment | 3.2 | 1.39 |
| Finance | 3.1 | 1.33 |
| Site Selection | 3.1 | 1.16 |
| Energy Control | 3.1 | 1.28 |

Scale: Not interested 1 2 3 4 5 Very interested

In addition to the value of each topic to casino resort properties, the survey asked each executive to rank five of the specific topics as the most important research topics. Of the 52 respondents, 35 completed this section. Results were tabulated for the entire group of respondents (see Table 6), and for the four specific position titles (Table 7).

Table 6

The Five Most Important Research Topics (overall) N=35

| |
|-------------------------------|
| 1. Consumer Behavior |
| 2. Information Systems |
| 3. Competitive Markets |
| 4. Employee Hiring/Recruiting |
| 5. Employee Motivation |

Table 7

The Five Most Important Research Topics by Area of Responsibility

| |
|-------------------------------|
| Gaming N = 15 |
| 1. Consumer Behavior |
| 2. Employee Hiring/Recruiting |
| 3. Employee Motivation |
| 4. Productivity |
| 5. Property Design |

| |
|------------------------|
| Finance N = 8 |
| 1. Information Systems |
| 2. Competitive Markets |
| 3. Employee Motivation |
| 4. Consumer Behavior |
| 5. Forecasting |

Table 7 continued

| Food and Beverage N = 7 |
|-------------------------------|
| 1. Competitive Markets |
| 2. Employee Hiring/Recruiting |
| 3. Promotion |
| 4. Strategic Planning |
| 5. Advertising |

| Hotel Operations N = 5 |
|-------------------------------|
| 1. Consumer Behavior |
| 2. Yield Management |
| 3. Forecasting |
| 4. Advertising |
| 5. Employee Hiring/Recruiting |

One-way analysis of variance (ANOVA) was used to test for equality of means in the variables of responsibilities, job titles, and property sizes. The results obtained from responsibilities and job titles were not significant. However, property sizes did produce significant results for the use of consultants ($F = 3.543, p < .05$) and the use of the Internet ($F = 3.634, p < .05$) as a source of information. Executives at small properties (500-999 rooms) considered consultants a valuable source for information, while large properties (3000 and over rooms) did not. Both small and large properties find the Internet a valuable source of information.

Property sizes also produced significant findings when the respondents were asked to rate each research topic according to their degree of interest. Employee hiring/recruiting, property maintenance, and productivity were significant at

Small properties put great emphasis on their employee hiring/recruiting and property maintenance, while large properties stress the importance of productivity as the main interest to their operations.

($F = 3.223, p < .05$), ($F = 3.041, p < .05$), and ($F = 2.962, p < .05$) respectively. Small properties put great emphasis on their employee hiring/recruiting and property maintenance, while large properties stress the importance of productivity as the main interest to their operations.

Written responses reported on the questionnaires regarding the rank of specific research topics were shown in Tables 6 and 7. Other comments regarding research conducted by colleges and universities indicated that the respondents were generally interested in current research that produces valuable information with significant and immediate impact on their organizations.

Summary And Conclusion

The results from this study indicated that casino resort properties executives were interested in the value of academic research to their organizations. The best

vehicles for disseminating academic research to casino resort properties were; trade journals, networking, trade conferences, academic research, professional organizations and fax. The primary areas of research interest to casino resort properties were consumer behavior, information systems, competitive markets, employee hiring/recruiting, and employee motivation. The most important topics for the gaming department within these casino resort properties for the 21st century were consumer behavior, employee hiring/recruiting, employee motivation, productivity, and property design. The two major limitations of this study were the small sample size and the use of convenience sampling.

Academics should also try to work more closely with industry executives and attend trade conferences where they can communicate their research findings, while at the same time generating valuable feedback from industry leaders that could assist in their current or future research.

Academics therefore should consider translating their research findings into language that is understood by professionals and publish their results in appropriate trade journals. Academics should also try to work more closely with industry executives and attend trade conferences where they can communicate their research findings, while at the same time generating valuable feedback from industry leaders that could assist in their current or future research. This would lead to better understanding of casino resort properties' research interests and the value of such research to their operations.

Hospitality programs at colleges and universities should try to work more closely with casino resort properties to identify research topics that have both current and future relevance to the industry. Also, hospitality educators should be knowledgeable of research conducted in other industries that may relate to areas of

interest in the casino resort industry. There is also the need for academic researchers in the hospitality industry to close the communication gap between themselves and industry professionals through the promotion and translation of their research findings into language that can be comprehended by professionals in the industry.

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