

# Meetings marketing

*Man is, above all, a gregarious animal, and there can be no doubt that the need to gather regularly with others who share a common interest is one of the most human of all activities.*

Davidson & Rogers (2006, p. 3)

## Aims

The aims of this chapter are to enhance understanding of:

- the potential to attract meetings, incentive groups, conventions, and exhibitions
- the specialised nature of convention bureaus
- the importance of a destination's promotional appeal.



### Perspective

Travel for the purpose of meetings, incentive programmes, conventions, and exhibitions (MICE) has emerged as one of the fastest growing and most resilient travel segments for destinations worldwide. The market provides most DMOs with opportunities to enhance occupancy and attendance at a wide range of local businesses, often during off-peak periods. Recognition of the value of the MICE market has seen an increasing number of DMOs develop convention bureaus to enhance competitiveness. While there has been relatively little published research into convention destination attractiveness, it seems clear that in addition to meeting facilities, a critical factor is the promotional appeal of the destination to delegates. DMOs and CVBs use a range of promotional activities to enhance perceptions of the destination in the minds of influential convention planners responsible for destination selection.

## Meetings, incentives, conferences, exhibitions (MICE)

*Business works best in real time, real touch networks. Meeting face to face remains the ultimate way to plug into a business network.*

*Queensland Business Acumen, May, 2007*

The need to meet in person to discuss common interests has been a major part of human activity since ancient times (see Fenich, 2005). Since the first CVB was formed over a century ago there has been recognition by destinations of the value of the meetings market, which today encapsulates meetings, incentive travel, conferences/conventions, and exhibitions/expositions (MICE). The term 'meeting' is used to describe a multiplicity of business and social events. For example, Fenich listed 47 synonyms, ranging from 'buzz session' to 'congress'. For the purpose of this chapter, the definitions of the key forms of meetings of interest to destination marketers are those proposed in the Convention Industry Council's Accepted Practises Exchange (APEX – see [www.conventionindustry.org/glossary/](http://www.conventionindustry.org/glossary/)). These are shown in Table 17.1. APEX is an initiative that aims to unite the meetings industry in the development and eventual implementation of voluntary standards, which will be called accepted practices.

The most common form of meeting is corporate events such as annual general meetings, sales meetings, staff training retreats, product launches, and incentive trips (Davidson & Rogers, 2006). Other buyers of destination meeting services are associations, the public sector, and SMERFs, the name given to social, military, religious, and fraternal groups. The characteristics of these major segments as summarised by Davidson and Rogers are listed in Table 17.2.

**Table 17.1** Key meetings industry definitions

Term	Definition
Meeting	An event where the primary activity of the attendees is to attend educational sessions, participate in meetings/discussions, socialise, or attend other organised events. There is no exhibit component to this event.
Incentive travel	A travel reward given by companies to employees to stimulate productivity.
Convention	An event where the primary activity of the attendees is to attend educational sessions, participate in meetings/discussions, socialise, or attend other organised events. There is a secondary exhibit component.
Exhibition	(1) An event at which products and services are displayed. The primary activity of attendees is visiting exhibits on the show floor. These events focus primarily on business-to-business (B2B) relationships. (2) Display of products or promotional material for the purposes of public relations, sales and/or marketing.
Trade show	An exhibition of products and/or services held for members of a common or related industry. Not open to the general public.
Public show	An exhibition that is open to the public, usually requiring an entrance fee.

**Table 17.2** Characteristics of major segments

Corporate	Association	Government	SMERF
The process of deciding to hold events is relatively straightforward.	The process of choosing a destination can be prolonged.	Considerable variety in terms of length of event and budgets available.	Price sensitive regarding accommodation rates and venue rates; but more recession-proof than corporate meetings.
But the actual corporate meeting buyer may be difficult to identify within the initiator's organisation: secretaries, personal assistants, marketing executives, directors	A committee is usually involved in the choosing of the destination; and the organisers may be volunteers from the association's membership.	However, budgets are usually scrutinised, since public money is being used.  High security measures are indispensable:	Held by organisations that are run by volunteers – so the task of identifying them can be challenging.

*(Continued)*

**Table 17.2** (Continued)

<b>Corporate</b>	<b>Association</b>	<b>Government</b>	<b>SMERF</b>
of training, and many others may book corporate events.	Attendance is voluntary.	these meetings are frequently accompanied by demonstrations and disruptions.	Frequently held over weekends and in off-peak periods.
Attendance is usually required of company employees.	A lower budget per delegate, since for some attendees, prices is a sensitive issue and they may be paying their own costs.		Often held in second-tier cities, using simple accommodation and facilities.
Lead times can be short.	Venues used: conference centres, civic and academic venues.		Attended by delegates who bring their spouses/families and are likely to extend their trips, for leisure purposes.
A higher budget per delegate.	Delegates' partners frequently attend.		
Venues used: hotels, management training centres, unusual venues.			
Delegates' partners are rarely invited, except in the case of incentive trips.			

Since the majority of meetings involve less than 1000 delegates, most tourism destinations are able to cater to the market (Abbey & Link, 1994, in Oppermann, 1996b). The meetings market is generally more resilient than holiday segments, and also offers the destination the opportunity to build additional business during the off-peak periods. The value of the meetings market is certainly considerable. For example, in the USA the Convention Industry Council estimated the 2004 value of the meetings market to exceed US\$122 billion. In Australia the sector generates over A\$7 billion in direct spending (Weaver & Lawton, 2006).

There is evidence to suggest that the impact of electronic meeting mediums, such as teleconferencing, has not made a significant impact on the growth of the meetings sector. Future Watch 2007, an annual survey of the meetings industry undertaken by Meetings Professionals International, found that virtual meetings was not a major component of participants' activities. Nevertheless, Tress and Sacks (2004, in Davidson & Rogers, 2006) warned of the emerging over-supply of conference facilities, particularly in the USA. An increasing number of convention centres are becoming white elephants. They cited the example of one centre, which after a US\$75 million expansion in 2003, attracted only 23 conferences in 2004.

## Incentive travel

Incentive travel programmes were introduced by corporations as a means to motivate staff to achieve targets. Such targets are related to business objectives, and commonly involve sales increases or cost reductions. Rewards might include individual travel, but commonly involve large groups. In addition to the achievement of the corporate objectives, other benefits to the organisation of incentive travel include (Witt & Gammon, 1994):

- opportunities for networking and communication between staff and management
- opportunities for social interaction between those working independently, such as sales reps and dealers, conveys a sense of belonging
- generating enthusiasm
- fostering loyalty to the company and retaining top performers.

Two characteristics of the incentive travel market that have particular appeal to DMOs are: (1) this type of travel usually takes place in groups, and often very large groups, such as the 10,000 Japanese door-to-door bra saleswomen hosted by Sydney, Australia; (2) the tailored nature of reward packages tend to generate a higher than average yield.

Incentive travel planning is a specialised craft, and destinations targeting this segment need to carefully consider the resources required. Itineraries are custom-made to suit the needs of the group, and tend to be creative in terms of venues and activities. Witt and Gammon (1994) suggested that only destinations at the mature stage of the lifecycle need apply, since there needs to be a well-developed infrastructure, good accessibility, and a sufficient mix of attractions. They cited this account by an incentive travel specialist of a function at the Rose Garden in Thailand (p. 20):

*The Rose Garden is just outside Bangkok and it is a fairytale place. The participants walk in and there is an elephant show to greet them. There is a demonstration of various arts and crafts going on during cocktails. There is a circular area by the river where the buffet is set up and different foods from all the different regions of Thailand are laid out. There is a boat on the river that is lit up with an orchestra playing with singers. This is followed by a full show – Thai dancing, boxing, etc. At the end, everyone joins in a ceremony with candles and goes down to the river and puts their candles into it. Thousands of candles floating in the river – it is quite pretty. All the little Thai children come out to say goodnight to everybody. Everyone is in tears because the children are so sweet.*

For the incentive to appeal to staff, the itinerary needs to be attractive, and the destination needs to be well known to staff and have brag value. Travel time to the destination is also important, given that incentive group travel is commonly in the form of a short break. Promotion is clearly very targeted, usually involving personal selling to incentive travel specialists who are contracted by the corporation.

## Convention bureaus

The meetings market brings together a diversity of businesses such as hotels, convention centres, transport operators, attractions, caterers, conference planners, and entertainers. The complex web of relationships necessitates coordination at the destination level. However, not all DMOs operate a convention bureau, due to the specialised nature of operations and investment required. For example, in Queensland Australia, only six of the state's 14 RTOs have a convention bureau.

As discussed in Chapter 3, the convention and visitor bureau (CVB) concept originated in Detroit (USA) in 1896, from a suggestion by a local journalist to promote the city as a convention destination. The USA was also to develop the first purpose-built convention centre, during the 1960s (Davidson & Rogers, 2006).

In Mexico the first CVBs were established in the late-1960s and early-1970s, to service visitors attracted to the 1968 Olympics and 1970 Football World Cup (Cerde, 2005). The first was established in Guadalajara in 1969. However, it was not until the 1980s that government provided funding for the CVBs. Cerde reported over 40 CVBs were established during the late-1990s and early-2000s. The first UK CVBs were formed in the 1980s (see Rogers, 2005). Interestingly, the first national CVBs were not established until 1973 (Germany) and 1974 (Finland).

Most CVBs in the USA have membership programmes, even with government room tax funding. Many DMOs are reliant on member subscriptions for funding, which can be a double-edged sword. On one hand more members generate increased funding, while on the other hand they generate more responsibility in providing benefits. After all, 'most CVBs don't want members unless they can help that member to secure business' (Walters, 2005, p. 163). So membership should make sense, and Walters provides a useful guide to membership development, retention, and dismissal. The major benefits of CVB membership promoted by Walters (pp. 169–170) are:

- member events (mixers, annual dinner, marketing updates)
- convention and meeting planner sales leads
- group tour or motor coach sales leads
- convention service sales leads (after a meeting is booked, the planner may be looking for caterers, audiovisual services, speakers etc.)
- listings in publications and on a bureau's website
- ability to place brochures in a visitor centre
- referrals from a visitor centre
- discounts on health insurance, shipping, or long-distance calling
- ability to advertise in the CVB's publications or on its website
- ability to participate in bureau sponsored co-op ads
- ability to participate in bureau-led sales missions or trade shows
- chance to host news media and travel writers
- ability to participate in bureau familiarisation show and events
- chance to expose one's business to other bureau members
- membership plaque or window decal showing membership status
- bureau publications in quantity, usually at no charge

- complimentary links from a bureau's website
- subscription to the bureau's newsletter and other insider information
- benefit from the bureau's lobbying efforts or access to elected officials
- access to and ability to influence the bureau's marketing plan.

## Professional bodies

In 1914 the International Association of Convention Bureaus, later to become the International Association of Convention & Visitor Bureaus in 1974 (IACVB), and now known as Destination Marketing Association International (DMAI), was formed with 28 members. According to Rob Stern, DMAI Director of Information Services, by the end of 2006 there were 1412 CVBs in the USA. From a meetings marketing perspective, membership benefits of DMAI include (see [www.iacvb.org](http://www.iacvb.org)):

- Destinations Showcase. In the USA, the only trade show purposefully designed for destination exhibitors is the DMAI's annual Destination Showcase. An average of 70% of meeting planners in attendance walk the floor with a request for proposals (RFP) in hand. These attendees on average plan 11 meetings a year, including one outside the USA (see [www.destinationsshowcaseonline.com](http://www.destinationsshowcaseonline.com)).
- Meeting Industry Network. An online database of over 32,000 past and future meetings by over 16,000 organisations.
- Lead generation. DMAI provides online RFP distribution by meeting planners.
- Meeting Industry Almanac. Convention bureaus can reach over 30,000 meetings professionals in the annual Meeting Industry Forecast.

There is an abundance of resources now available on the meetings market that are able to be accessed through professional bodies. A selection of leading organisations is listed in Table 17.3.

**Table 17.3** Professional meetings organisations

Organisation	URL
Destination Marketing Association International	<a href="http://www.iacvb.org">www.iacvb.org</a>
Meeting Professionals International	<a href="http://www.mpiweb.org">http://www.mpiweb.org</a>
Union of International Associations	<a href="http://www.uia.org/">www.uia.org/</a>
International Congress and Convention Association	<a href="http://www.iccaworld.com/">www.iccaworld.com/</a>
Meetings Industry Association of Australia	<a href="http://www.meetingsevents.com.au">www.meetingsevents.com.au</a>
Meetings Industry Association of the UK	<a href="http://www.mia-uk.org">www.mia-uk.org</a>

(Continued)

**Table 17.3** (Continued)

Organisation	URL
Trade Show Exhibitors Association	<a href="http://www.tsea.org">www.tsea.org</a>
Joint Meetings Industry Council	<a href="http://www.themeetingsindustry.org">www.themeetingsindustry.org</a>
International Association of Exposition Managers	<a href="http://www.iaem.org">www.iaem.org</a>
International Association of Fairs and Expositions	<a href="http://www.fairsandexpos.com">www.fairsandexpos.com</a>
Convention Liaison Council	<a href="http://www.conventionindustry.org">www.conventionindustry.org</a>
Professional Convention Management Association	<a href="http://www.pcma.org">www.pcma.org</a>
Society of Incentive Travel Executives	<a href="http://www.site-intl.org">www.site-intl.org</a>
International Association of Professional Congress Organisers	<a href="http://www.iapco.org">www.iapco.org</a>
Convention Industry Council	<a href="http://www.conventionindustry.org">www.conventionindustry.org</a>
Association of British Professional Conference Organisers	<a href="http://www.abpco.org">www.abpco.org</a>

## Importance of destination's promotional appeal

The promotional activities for convention bureaus are still based on the marketing orientation of matching available resources with environment opportunities. The convention bureau is engaged in targeting appropriate buyers with a value proposition. It is just as important to monitor how the destination is perceived by meeting planners as it is by travellers. Oppermann (1996) identified a paucity of published research into convention destination images with which to guide destination marketers. Research Snapshot 17.1 highlights the importance of investigating the destination's strengths and weaknesses, relative to competing places, in the minds of convention planners.

### Research snapshot 17.1 Convention destination image analysis

Oppermann (1996) lamented the lack of published research into convention destination images, despite the size and rapid growth of the market. He chose to gain insights into how 30 North American cities were perceived as convention destinations from the perspective of association meeting planners. Association conferences are reasonably flexible in terms of destination selection, and association planners are akin to tour operators who are involved in selecting a destination and on-selling to members. Planners are only too aware that potential delegates usually have a selection of conferences on offer each year, and the choice of

destination plays a role in decision-making. The study targeted members of the Professional Convention Management Association. In the sample, 79% of participants indicated that their responsibilities included selection of the conference destination.

The results provided rankings of the importance of 15 convention destination attributes, along with how each of the 30 destinations was perceived on each attribute. This approach enabled an understanding of how each destination is positioned relative to competing places. Two further implications were noted. First, the association convention planners differed in their destination selection criteria in terms of attribute importance. Second, previous experience with a destination emerged as a crucial factor in destination image.

*Source:* Oppermann, M. (1996). Convention destination images: analysis of association meeting planners' perceptions. *Tourism Management*, 17(3), 175–182.

Image is important in the meetings market as conventions are usually held at places that are 'exciting', because they will attract more delegates. However, Chacko and Fenich (2000) lamented the lack of research into what makes an attractive convention destination. Their content analysis of 12 previous studies enabled a synthesis of important convention destination attributes. They identified 12 such attributes for use in their survey of convention planners' perceptions of seven destinations. Regression analysis identified 'promotional appeal' as a significant predictor for overall convention destination attractiveness for most of the cities in the study. The most critical factor, they concluded, was the convention planner's ability to sell the destination to potential delegates. The activities undertaken by the Sydney CVB (see Harris, Jago & King, 2005, pp. 31–32) typify the ideal by convention bureaus in general:

- sales calls, direct mail, telemarketing, and lobbying those responsible for the destination location
- conducting site inspections for those responsible in deciding the destination location
- PR activities to position the destination as a world-class meetings destination
- preparation and presentation of bid documents
- general destination promotional activities
- production of marketing collateral to support the bid process
- assisting development of promotional strategies to increase delegate attendance
- coordinating marketing research.

Results obtained by the CVB during 2001/2002 highlight the return on marketing investment in this sector. By primarily directing marketing efforts

towards attracting an international meeting, the CVB was successful in winning 32 events, with an estimated 30,000 participants, for a total value of \$143 million to the city (Harris, Jago & King, 2005).

### **In practice**

Gold Coast Tourism, Australia, engaged a local corporate meetings, incentives, and events planning company, SquareOne Events ([www.squareoneevents.com](http://www.squareoneevents.com)), to stage an event spectacular welcoming 275 senior corporate executives to the destination. The event was used to launch the inaugural Business Insights 2007, which promotes the destination as a business destination. The RTO's brief to the organiser was to create an event with a 'wow' factor that enhanced the destination's Very GC brand positioning. The venue for the occasion was a dome pavilion erected on the sand at the beach. The interior was carpeted, air-conditioned, and decked-out with leather lounges. Creative lighting and a swing-music band was used to create a supper club feel. The dome's clear walls provided ocean views.

*Source: Queensland Business Acumen magazine (May, 2007, p. 62).*

## **Cooperative alliances**

DMOs understand that relatively few conferences will return to the same destination every year. National association conferences commonly circulate around a country in a cyclical manner. Consider the location of the Tourism & Travel Research Association conference in recent years, for example: Hollywood, California (2000), Washington DC (2001), Fort Myers, Florida (2002), St Louis, Missouri (2003), Montreal, Canada (2004), New Orleans, Louisiana (2005), Dublin, Ireland (2006), Las Vegas, Nevada (2007).

Like the Olympic Games, it is possible to secure a return conference, after a period of time. Some DMOs therefore see merit of forming alliances with other destinations. Key rationals include the sharing of resources and a greater presence in the market. For example, imagine an association conference that in the USA alternates between the west coast, east coast, and mid-west. If a member of the alliance on the west coast has successfully hosted the association's conference this year, a member on the east coast seeking to bid the following year can obtain insights into the bid process critical success factors for that particular association. This is mutually beneficial for the association and the DMO alliance.

### In practice

The BestCities Global Alliance ([www.bestcities.net](http://www.bestcities.net)) was the first international alliance of convention bureaus, with eight partners in five continents: Cape Town, Copenhagen, Dubai, Edinburgh, Melbourne, San Juan, Singapore, and Vancouver. The alliance promotes the following advantages to conference organisers:

- *Global access* – one email or phone call provides access to the most professional convention bureaus and attractive destinations in the world.
- *Innovative bid proposals* – our members work with local industry suppliers, public sectors, and your organisation to ensure that all your requirements are met.
- *Expert advice* – careful, expert advice on all aspects of planning a meeting at the chosen destination.
- *Quality assurance* – all member bureaus have undergone a rigorous inspection and approval process and are continuously monitored by client evaluations.
- *Client forums* – platform for peer-to-peer networking and discussion of topics related to managing international organisations and planning their meetings.

## Destination planners

Davidson and Rogers (2006), who write extensively in this field, recommend that one of the most sophisticated conference destination guides is that of the Madrid Convention Bureau [www.munimadrid.es/congresos](http://www.munimadrid.es/congresos). Tourism Toronto claimed that the launch of its new digital destination planner in 2005 was the first of its kind in North America ([www.travelindustrywire.com](http://www.travelindustrywire.com), 26/4/05). Designed for meeting professionals and tour operators, the planner is in the form of a CD-ROM. Once installed on a user's desktop, Digital Toronto provides links to a product and services directory that is updated monthly (see [www.tourismtoronto.com](http://www.tourismtoronto.com)).

## Responding to RFPs

The CVB or DMO is seen as an impartial information source for meeting professionals. When a meeting planner, organisation, or association contacts the CVB, the office acts as a facilitator of tailored information on available facilities. The CVB in turn manages a leads process for members to bid for the business. This can extend to social and entertainment services, in addition to meeting space and accommodation. For example, the Las Vegas CVB sent out 3000 leads to local businesses during 2003 (Cortez, 2004).

### **In practice**

An interview with an executive from the Sydney CVB identified the following general steps in the meeting bidding process (Harris, Jago & King, 2005, p. 33):

- Identify meetings with the potential to be hosted by the destination, and encourage local associations and firms to bid for their organisation's conference.
- Obtain the bid criteria from the association.
- Seek clarification on the bidding process, and work with the local association to develop a bid document.
- Involve a professional meeting planner in the budget development.
- Conduct a site inspection.
- Lodge the bid, and undertake destination promotional activities.
- For successful bids, engage in promotional activity aimed at potential delegates.

## Local support

As evidenced in the summary of the bid process by the Sydney CVB, encouraging local organisations to bid for conferences is a major part of conference marketing. Examples of best practice by CVBs in this regard include (Davidson & Rogers, 2006):

- Spokane Area CVB [www.visitspokane.com](http://www.visitspokane.com)
- Cardiff Convention Bureau [www.cardiffconferencebureau.co.uk](http://www.cardiffconferencebureau.co.uk)
- Aberdeen Convention Bureau [www.aberdeenconferences.com](http://www.aberdeenconferences.com)
- Melbourne Exhibition and Convention Centre [www.mecc.com.au](http://www.mecc.com.au) and [www.mcvb.com.au](http://www.mcvb.com.au)

### **In practice**

Between 60,000 and 70,000 meetings are organised in the city of Brussels, Belgium, every year. The events attract an estimated 7 million participants, who spend on average €320. This US\$4 billion in annual spending supports 22,000 jobs. Brussels Meeting Week (see [www.brusselsmeetingsweek.be](http://www.brusselsmeetingsweek.be)) is an initiative to enhance local community perceptions of the value of the meetings industry. In 2006 the initiative won the International Federation of Associations' Profile & Power Award. In 2007 the week of activities was organised to coincide with the staging of the 2007 European Meetings Industry Fair.

## Key points

### 1. The potential to attract MICE

Travel for the purpose of meetings, incentive programmes, conventions, and exhibitions (MICE) has emerged as one of the fastest growing and most resilient travel segments for destinations worldwide. The market provides most DMOs with opportunities to enhance occupancy and attendance at a wide range of local businesses, often during off-peak periods.

### 2. The specialised nature of convention bureaus

Recognition of the value of the MICE market has seen an increasing number of DMOs develop convention bureaus to enhance competitiveness.

### 3. The importance of a destination's promotional appeal

While there has been relatively little published research into convention destination attractiveness, it seems clear that in addition to meeting facilities, a critical factor is the promotional appeal of the destination to delegates. DMOs and CVBs use a range of promotional activities to enhance perceptions of the destination in the minds of influential convention planners responsible for destination selection.

## Review questions

- Explain why promotional appeal is such an important aspect of a MICE destination.
- How important is the MICE market to your destination? Examine the extent to which your DMO is targeting segments in this market.