

HARNESSING LOCAL EXPERTISE AND KNOWLEDGE: A NEW CONCEPT IN BUSINESS TOURISM DESTINATION MARKETING

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BUSINESS TOURISM

By comparison with leisure tourism, business tourism has been relatively under-researched in academia, despite considerable economic benefits it can bring to destinations. Holloway and Humphreys (2016) note that business tourism – which is principally, travel for commercial, professional and work-related purposes – represents the major non-leisure form of tourism, and business tourists are widely recognised as the highest-spending category of travellers. According to the same source, business tourism takes four principal forms: travel for the purpose of attending meetings; incentive travel; travel to attend an exhibition or trade fair; and individual business travel.

The meetings sector represents by far the largest and most profitable element of business tourism. To take just one type of meeting - conferences of international associations - the International Congress and Convention Association, reported a record number of 12,076 rotating international association meetings taking place in 2015, 571 additional meetings compared to 2014 (ICCA, 2016).

THE DESTINATION MARKETING SYSTEM FOR BUSINESS TOURISM

Due to the potential economic benefits yielded by business tourism, competition between destinations seeking to host such events is intense, and among the key stakeholders in the struggle to win meetings of all sizes are the destination marketing organisations (DMOs) known as Convention Bureaus or Convention and Visitor Bureaus. In the realm of destination marketing, Convention Bureaus are the key information brokers and information disseminators for the meetings industry. One of their critical missions is to brand and promote their destination as a desirable location for the hosting of meetings (Gartrell, 1994; Kim, Morrison, & Mills, 2004). The earliest Convention Bureaus were created in North America, with the first being established in Detroit in 1896. Named the “Detroit Convention and Businessmen’s League”, its aim was “to organise a formal and organized promotion of Detroit as a desirable convention destination” (Ford & Peeper, 2007, p. 3). In the twentieth and twenty-first centuries, the number of Convention Bureaus has grown exponentially, as cities all over the

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world have created such entities to market themselves as destinations for business and leisure. Exact numbers are difficult to estimate, but the world's largest association of DMOs, Destination Marketing Association International, has members from over 600 DMOs in over 20 countries. Cvent, a company specialising in event management technology, publishes a comprehensive list of Convention Bureaus based in Europe, the Europe Convention and Visitor Bureau (CVB) Directory, which currently includes over 300 such organisations with responsibility for marketing their city, region or country as business tourism destinations (Cvent, 2012). In North America, according to Gartrell (1994), the term Convention and Visitor Bureaus generally refers to DMOs with responsibility for attracting both leisure and business visitors to the cities they represent. Their role is to develop, promote and maintain their image as an attractive destination, not only targeting visitors but also targeting destination events, meetings and conventions. According to Vallee (2008, p. 162), Convention and Visitor Bureaus most commonly achieve their goals by working to: (1) solicit, qualify and confirm groups to hold meetings, conventions and trade shows in the area it represents; (2) assist meeting groups that have confirmed through attendance building and convention servicing; (3) manage the destination brand through awareness building and customer relationship management; (4) market to leisure travel trade and individual travellers through targeted promotional and sales activities; (5) facilitate relationships between meeting manager and travel trade buyers and sellers, with sellers generally composed of local businesses offering products and services and (6) service visitors, including convention delegates, in the destination to encourage them to stay longer and see more of the area. While in North America, Convention Bureaus work to attract both leisure and business visitors, in Europe they are almost exclusively involved in winning and servicing business tourism, such as conferences and incentive trips, for the destinations they represent. In order to do so, they must focus their marketing efforts on gaining the attention and interest of professional meeting planners.

As intermediaries between conference attendees and conference sites (destinations and venues), meeting planners play an important role in the meetings industry by selecting sites, organising meetings and coordinating services and events (Casanova, Kim, & Morrison, 2005). The wide range of their responsibilities includes not only site

selection but also contract negotiation, registration, event promotion and marketing, invitations, transportation planning, speaker selection and gift selection (Beaulieu & Love, 2004; Toh, DeKay, & Yates, 2005). However, it is their role as the professionals who choose or influence the choice of the destinations for the events they organise that makes them a focus of attention for Convention Bureaus seeking to win business tourism for their cities. Even in the USA, where only parts of Convention and Visitor Bureaus' marketing efforts are focused on winning business tourism, meeting planners are still considered to be one of their main target markets. In a recent survey, approximately 40% of US Convention and Visitor Bureau respondents counted meeting planners as their main target market (Kim, Lehto, & Kline, 2010). It is due to the considerable power of meeting planners that much of the business tourism academic literature has focused on their key role in site selection and the complexity of the site decision-making process (Beaulieu & Love, 2004; Crouch & Ritchie, 1997; Hu & Hiemstra, 1996). The conference site decision process differs significantly to the destination decision process for individual or family holidays, as it reflects the fundamental features of the purchasing processes of business markets in general, consisting of fewer, but larger, customers than consumer markets and being involved in purchases of considerably greater value, having complex economic, technical and financial considerations (Vitale, Giglierano, & Pfoertsch, 2011). This form of organisational buying typically involves individuals of varying levels of influence in final decisions; but the meeting planner acts as a gatekeeper of information that is needed by the decision-makers (Lewis & Chambers, 2000) and therefore plays a pivotal role.

In order to influence the decisions of meeting planners in their favour, Convention Bureaus use a broad range of marketing communications tools, including customer relationship management, direct marketing, publications, public relations, attendance at meetings industry trade shows and the hosting of familiarisation trips – visits to a destination offered to potential buyers, designed to acquaint them with specific local facilities and services and to stimulate the booking of a business tourism event in that city (Davidson & Rogers, 2016). The use of such tools has, in recent years, been supplemented and modified by the advent of Web 2.0, as a rapidly expanding number of organisations have begun to leverage the potential of this technology in their marketing efforts (Davidson and Keup, 2014).



USING LOCAL EXPERTISE AND KNOWLEDGE IN BUSINESS TOURISM DESTINATION MARKETING

A new approach to marketing destinations for business tourism is emerging, as a growing number of Convention Bureaus are beginning to understand that, in addition to important factors such as price, accessibility and having the appropriate infrastructure for the hosting of meetings, the existence of *local economic and scientific expertise* can deliver an important competitive advantage when attempting to attract business tourism. Meeting planners are increasingly attracted by the idea that local experts can be invited as speakers at their conferences; local specialists working in the field of the conference topic can boost delegate numbers; and local research centres, laboratories or factories can provide interesting sites for conference excursions. For example, the Convention Bureau of Hamburg, a city with a strong presence of companies operating in the logistics and transportation industry, now collaborates with ‘destination ambassadors’ working in those companies in order to sell the destination to meeting planners who are seeking destinations for large corporate and association events in the global transportation industry. An early success of the Hamburg Convention Bureau, working in partnership with local transportation companies, was the successful securing of the IATA World Passenger Symposium in October 2015 - because the city has formally developed a cluster of mobility and logistics companies based in the region around the port city (DMAI, 2016).

Consequently, following the rise in the overall quality of meetings infrastructure throughout the world, more and more Convention Bureaus are differentiating their destinations by developing strategic alliances with their local knowledge industries and economic development agencies, to promote the city or region as a destination for meetings and conferences held by those industries.

According to DMAI (2016), this idea of Convention Bureaus clustering their local knowledge professionals in a region, and packaging them as ambassadors to attract specific industry conferences, was first formulated by DMOs such as the German Convention Bureau (GCB) over the last five years. During that time, individual German cities have begun to define their strongest sectors—such as information technology, finance, transportation, medicine, bioscience, green energy, robotics, nanotech-

nology, etc. and then create collections of ambassador companies around those specific knowledge industries, to attract conferences in those fields. The GCB now positions its brand message with the slogan: “Germany. Success Through Expertise”, and the strategy appears to be working: 25.6 million international meeting attendees visited Germany in 2014, demonstrating an increase of 54% over the 16.6 million arrivals in pre-recession 2007 (GCB, 2015).

Many other European DMOs have joined the trend of harnessing local expertise and industries for the purpose of winning conferences in those sectors. For example, in London, the marketing campaigns of London & Partners emphasise the city’s strengths in life sciences, the creative industries and financial services. The Rotterdam Partners Tourism Board & Convention Bureau, as part of the newly established Rotterdam Partners alliance, which also includes the Rotterdam Economic Council and the Rotterdam Knowledge Ambassadors network, is another example of success. It focuses on business tourism related to Rotterdam’s key sectors of agriculture and food, chemicals, the creative industries, high tech systems and materials, life sciences and health, logistics and water. To give an example of success, as a direct result of this strategy, the city has won the right to host several high-profile conferences related to water: The 2nd European Conference on Flood Risk Management – 2012; the Ballast Water Management Conference – 2013; Europort – the exhibition for maritime technology – 2013; Deltas in Times of Climate Change – 2014; The European Conference and Exhibition on Inland Terminals – 2014; and the International Conference on Logistics and Maritime Systems – 2014.

DMAI (2016) quotes the Account Manager of Business Events at Rotterdam Partners as saying: “Now we’re trying to focus more on leveraging Rotterdam’s network of academic and corporate colleagues to reach our clients abroad to deliver a better convention experience. So we are basically professionalising the experience more because it is a very competitive market in Europe”.

It is clear that this new concept in destination marketing depends upon DMOs taking a strong partnership approach to winning business tourism for their cities, rather than working in isolation. Most commonly, Convention Bureaus have begun to work with their colleagues in Economic Development, Inward Investment and Education departments in order to reach out to local companies, organisations and research centres.



An outstanding example of this network approach may be seen in the case of Manchester where, in early 2015, the newly formed Manchester Growth Company incorporated the consumer-facing Visit Manchester and trade-specific Marketing Manchester DMOs with the city's business and economic development organisations to more effectively exploit the potential to attract new conferences revolving around the city's expertise in science. As a result, Manchester can now bring an exponentially larger number of potential partnerships to the table when showcasing the city during negotiations with meeting planners (ibid.).

CONCLUSION

In an increasingly competitive market environment, the harnessing of cities' local industrial and research expertise represents a major shift from simply marketing the destination's meetings infrastructure hardware to promoting its intellectual software as well. This new approach is a response to the realisation of the growing importance that meeting planners place on partnering their business tourism events with established companies and research organisations in their sector.

It is a trend that looks set to continue. To return to the case of Germany, the German Convention Bureau publishes an annual Meeting & Event Barometer, a key study that examines both the conference and events sector in that country. The latest edition clearly shows that, for meeting planners, local expertise in the sector is becoming a critical factor to be taken into account in the choice of destination for their events. 73.7% of the surveyed organisers believed that partnering their events with local companies and research organisations in their sector was becoming increasingly important. DMOs in Germany are increasingly geared to this approach. Accordingly, in 2012, one third of them had integrated regional fields of competence into their marketing campaigns, while these figures rose to 44.4% in 2015 (GCB, 2016). This means that DMOs' co-operation with established scientific and business institutions in the sector has increased substantially in recent years in Germany and elsewhere.

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