



CITY BRANDING AND INCENTIVE TRAVEL: EVOLVING RESEARCH TRENDS

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Abstract:

Incentive travel plays a pivotal role in the strategic branding of cities as MICE (Meetings, Incentives, Conferences, and Exhibitions) destinations. By promoting unique and high-value experiences, incentive travel motivates and rewards employees for achieving specific business goals while simultaneously driving the development of destinations. This paper examines 25 academic papers and articles on city branding and incentive travel, tracing the evolution of research and literature from 2000 to the present. Initially, studies focused on the motivational and economic benefits of incentive travel for city branding. However, recent research has shifted towards exploring its role in enhancing city brands and creating distinctive destination experiences. Scholars such as Kavaratzis and Ashworth (2005) have emphasized the importance of cultural and social elements in city branding.

The COVID-19 pandemic and advancements in artificial intelligence (AI) have significantly shaped the incentive travel market, introducing new trends such as immersive and memorable experiences that transcend traditional travel, the growing appeal of lesser-known destinations, heightened awareness of sustainable travel options, and the integration of AI in city branding, including personalized travel experiences (Tussyadiah & Miller, 2019). By analyzing current literature, this paper offers insights into the evolving research directions on city branding and the use of incentive travel as a branding tool, concluding with suggestions for future research avenues.

Keywords:

incentive travel, city branding, mice tourism, research.

INTRODUCTION

In an increasingly globalized and competitive world, city branding can contribute significantly to the development of tourism and, consequently, the economy (Anttiroiko, 2014). City branding extends beyond simple marketing—it presents a city not only as a destination for visits, living, and work but as a unique product distinguished by its cultural, natural, and other assets aimed at attracting visitors. One of the innovative strategies in city branding is the use of incentive travel, a component of a specific form of tourism known as MICE (Meetings, Incentives, Conferences, and Exhibitions). The concept of MICE, or MI (Meetings Industry), was formalized in 2006 through a collaborative decision by the International Congress & Convention Association (ICCA), Meeting Professionals International (MPI), Reeds Travel Exhibitions, and the World Tourism Organization (UNWTO) to stand-

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ardize terminology and strengthen the sector's image (Smagina, 2017). According to the Society for Incentive Travel Excellence (SITE), "incentive travel is a global management tool that uses an exceptional travel experience to motivate and/or recognize participants for increased levels of performance in support of organizational goals" (SITE Global, n.d.). Unlike other forms of tourism, incentive travel combines luxury, exclusivity, and personalized services with unique cultural, recreational, and business experiences, enhancing a city's prestige and fostering economic growth. Over recent years, the MICE industry has experienced substantial transformations, adapting to new market dynamics and shifting consumer preferences influenced by global events. In response to these changes, suppliers have recognized the need to enhance their incentive travel services, employing increasingly creative strategies to add value (Gračan, Sotošek, & Šerić, 2018). Destinations have adapted their offerings accordingly, and research studies have also evolved. A report published by Allied Market Research in 2022 estimated that the incentive travel market was valued at \$42,014.5 million in 2021 and is projected to reach \$216,746.9 million by 2031. The growth of the incentive travel market underscores its potential as a strategic tool for urban development. Despite numerous studies on city branding, there remains a lack of research on the role of incentive travel and its impact on city branding. Therefore, this comprehensive review aims to systematize existing knowledge and provide insights into integrating incentive travel with city branding.

LITERATURE REVIEW

City branding has evolved into a crucial element in the global competition among cities and has become a significant development strategy (Wan, F., Li, J., 2024). As the tourist market continuously adapts to global economic, political, natural, and other changes, as well as shifts in consumer demands, the focus of academic research has similarly evolved. Initially centered on general strategies for promoting urban areas, the research has shifted toward more specialized approaches, such as the use of incentive travel as a tool to enhance a city's brand image (Richards, G., Palmer, R., 2010). This literature review examines these changes in research by analyzing 25 academic papers on the branding of cities as tourist destinations. It places particular emphasis on the role of motivational travel as a branding tool and distinguishes the impact of incentive travel from other forms of tourism on destination branding.

Evolution of research in city branding and incentive travel

Research related to city branding and motivational travel has evolved between 2000 and 2024, reflecting the global influences of globalization, technological advancements, and shifts in tourist needs and demands. Scholars such as Kavaratzis and Ashworth (2005) laid the foundations for city branding by focusing on creating a unique city image that distinguishes cities from one another. Meanwhile, Blain, Levy, and Ritchie (2005) highlighted that programs designed for corporate clients can increase the visibility and prestige of destinations in the global market. Prior to these developments, Davidson (2003) recognized the potential of incentive travel, as part of MICE, to stimulate economic benefits for cities.

Over time, the focus shifted from creating a unique city image to developing branding strategies that emphasize creating unforgettable experiences for visitors—experiences that evoke positive emotions and foster loyalty (Hudson & Ritchie, 2009). This approach prioritizes personal, memorable experiences over standardized ones (Gračan, Sotošek, & Šerić, 2018).

During this period, studies also began to emphasize the cultural dimension of city branding. Ozer claims that "cities with unique cultural attractions can easily be branded, as they offer distinct experiences to visitors," further stating that "local historical sites, stories, and legends create an unforgettable and romantic experience for tourists, leaving a lasting impression." The varying expectations of tourists are key to the success of incentive programs, a theory consistently reinforced by researchers in the field. Richards and Palmer (2010) also address this, noting that the choice of incentive destinations has evolved over time, shifting from entertainment hubs like Las Vegas and Orlando to culturally rich cities such as Barcelona and Cape Town, which use incentive travel to showcase local culture and authenticity.



Research in both city branding and incentive travel has evolved in recent years, driven by technological advances, the COVID-19 pandemic, and increasing demands for sustainability and inclusivity.

The evolution of digital technologies has transformed how cities promote themselves and design incentive travel programs. Buhalis and Amaranggana (2015) emphasized the growing importance of smart tourism technologies and AI-powered data analytics in personalizing travel experiences before, during, and after trips. They also noted that cities can now use data to analyze visitor behavior and preferences, enabling more efficient marketing. Lopez de Avila (2015) defines a smart tourism destination as an innovative place built on state-of-the-art technology, ensuring sustainable development, accessibility, and an enhanced quality of experience for both visitors and residents.

Digital platforms have become essential for branding and promotion, enabling cities to use social media, virtual tours, and augmented reality (AR) to engage visitors. Christou, Sigala, and Gretzel (2012) state that social media is fundamentally changing how travelers search for, find, and trust tourist destinations. They also highlighted that social media platforms have emerged as powerful tools for destination marketing and visitor engagement, allowing tourism organizations to reach global audiences in innovative ways.

While innovations in tourism can be roughly predicted, global events are unpredictable and can fundamentally alter the tourism landscape. The COVID-19 pandemic is a prime example, as it halted tourism movements and forced destinations to adapt their strategies. Gossling, Scott, and Hall (2020) explored how cities quickly adapted their brand narratives to focus on health, safety, and flexibility. This period saw the rise of hybrid events, combining in-person and virtual components to continue attracting business while minimizing travel risks. In the post-pandemic period, destinations needed to align their promotional strategies with the “new normal,” rebranding themselves as safe and adaptable to restore traveler confidence. Another consequence of the pandemic was the increase in domestic travel. Gyimothy, Braun, and Zenker (2022) studied the impact of boosting domestic tourism and the resulting shift in visitor composition at homeland destinations. The post-pandemic tourism landscape shows a decline in overseas guests, with a simultaneous rise in domestic visitor numbers. Nevertheless, tourism remains highly adaptable and recovers quickly from global disruptions.

Another shift in research is driven by the growing global concern for environmental sustainability, as well as inclusivity in tourism. Dodds and Butler (2019) highlighted how cities now brand themselves as sustainable destinations, focusing on reducing the carbon footprint of travel by promoting eco-friendly transportation, green venues, and sustainable travel packages. This trend aligns with the increased demand from corporate clients for incentive programs that prioritize nature conservation. Positioning and branding a destination as environmentally conscious and committed to sustainability can positively influence corporate clients when choosing an incentive destination.

Differences between influence of incentive travel and other forms of tourism on destination

Although both incentive travel and other forms of tourism offer significant benefits to destinations, their impacts differ. On one hand, the economic impact is notable because the spending of incentive travelers is considerably higher than that of leisure tourists (Davidson, Cope, 2003). Incentive travelers typically stay in higher-quality hotels, use better transportation, engage in exclusive experiences, and can be valuable promoters of a destination. On the other hand, mass tourism attracts larger numbers of tourists but generates lower levels of consumption. Another important observation is that incentive travel can help reduce tourism seasonality. Unlike leisure tourism, which primarily occurs during peak tourist seasons, incentive tourism can support the development of destinations throughout the year. This has a positive effect on the local economy and employment in the tourism and hospitality sectors (Fenich, 2012). According to Getz and Page (2016), destinations that incorporate incentive travel into their branding strategies can position themselves in the market as offering superior experiences, quality services, and facilities suitable for business events, all while emphasizing their cultural, natural, and other unique characteristics. Leisure tourism, though also important for city branding, does not achieve the same exclusivity effect in the market. Given the focus on exclusivity and premium experiences, incentive travel can influence the development of higher-quality tourist infrastructure, in contrast to mass tourism, which emphasizes accessibility and caters to the average tourist’s budget.



The role of incentive travel in city branding - challenges and opportunities

Incentive travel can play a significant role in branding a destination and positioning it in the market as a desirable location for both business and leisure tourism. As previously mentioned, incentive travel programs include corporate clients, who can be influential promoters of the destination. The cities chosen for incentive travel programs are often perceived as modern and cosmopolitan (Davidson and Rogers, 2006). These, along with other advantages of integrating incentive travel into city branding strategies, were highlighted earlier in the paper through the analysis of various studies and researchers. However, there are challenges that may arise in this field. One significant challenge is managing the environmental impact. Backen (2019) emphasizes the need for cities to consider environmental sustainability in their tourism offerings. Therefore, cities must align incentive programs with sustainable practices. Skinner (2021) notes that there can sometimes be a mismatch between the brand identity a destination is trying to create and the image that is perceived by tourists. This can be a challenge in promoting an incentive destination, given that incentive programs are tailored for corporate groups, offering unique experiences that individual tourists may not have access to when visiting the destination. For the successful branding of an incentive destination, it is essential to consider all opportunities and challenges. Future research could focus on developing tools to help destinations effectively address these challenges when creating branding strategies, while also making the most of available opportunities. Opportunities and challenges, and future research can be focused on tools that will help the destination adequately respond to all challenges when creating a branding strategy, and, on the other hand, to use the opportunities in the right way.

METHODOLOGY

The methodology used in this research was a systematic approach to conducting a comprehensive review of the literature on city branding through incentive travel. The methodology included several stages, such as literature research, data extraction, and analysis. The literature search involved searching for relevant sources across academic databases, including Google Scholar, ScienceDirect, Emerald Insight, and Taylor & Francis Online, using keywords such as “incentive travel,” “city branding,” and others. The search was limited to publications from 2000 to 2024. Once the relevant literature was identified, data extraction was carried out to organize key information from each study. The data was then analyzed using qualitative synthesis methods, enabling the identification of key themes, trends, and gaps in the literature. The methodology used in this research was a systematic approach to conducting a comprehensive review of literature on the topic of city branding using incentive travel. The methodology included several stages such as literature research, data extraction, and analysis. Literature search included search for relevant literature across academic databases, including Google Scholar, Science direct, Emerald insight, Taylor&Francis online, by using keywords such as „incentive travel“, „city branding“ and others. The search was restricted by publication date, from 2000 to 2024. When the relevant literature was identified, data extraction was done to put in order key information from each study. The data was analyzed using qualitative synthesis methods, allowing for the identification of key themes, trends, and gaps in the literature.

RESULTS

The literature review on city branding and incentive travel reveals several key findings. First, research has evolved over the years from viewing incentive travel primarily as a corporate marketing tool to integrating it into city branding strategies. The personalized nature of incentive travel can enhance and strengthen a city's brand by showcasing its cultural richness and natural beauty. This shift in research, which examines city branding and incentive travel both separately and in relation to one another, is driven not only by changes in the tourist market but also by global changes—economic, political, medical, digital, and others.

Another important observation that destinations can leverage for better market positioning is the distinction between incentive travel and other types of tourism, particularly in offering an exclusive, high-quality experience for participants and groups. Unlike mass tourism, incentive travel allows cities to target specific groups and attract influential visitors who can further promote the city.



The research highlights that the role of incentive travel is to differentiate a city from its competitors. However, incentive travel programs must align with the city's identity and branding strategy to avoid creating an unrealistic image of the destination.

CONCLUSIONS AND DISCUSSION

The conclusion of the literature review is that incentive travel is and can be a crucial tool for branding cities or reinforcing their brand, especially because it enables cities to offer unique experiences to tourists and opens the door to new destinations not covered by mass or other forms of tourism. Today, tourists have different expectations; they seek unique experiences, stronger connections with destinations and local communities, and opportunities to engage in the everyday lives of locals.

With the advancements in the digital world and artificial intelligence, cities can leverage these trends to brand and position themselves, attracting new tourists, particularly from the younger population. Certainly, the branding strategy must ensure that cities remain adaptable to new trends in the tourism market and integrate sustainable development into their strategies. Likewise, incentive travel program organizers should follow these same trends.

In the author's opinion, based on the literature analyzed, future research in both city branding and incentive travel should place greater focus on sustainability and environmental responsibility. Future studies could explore strategies for attracting sustainability-conscious corporations for incentive programs, how to achieve community engagement through incentive programs, and how cultural tourism and creative industries can contribute to the branding strategy of incentive destinations.

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