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CONVENTION BUREAU PERSPECTIVES ON DESTINATION MANAGEMENT: IDENTIFICATION AND CLASSIFICATION OF ACTIVITIES*

Destinacijski menadžment iz perspektive kongresnog biroa – definisanje i sistematizacija aktivnosti

Abstract

Convention bureau is the most dominant form of destination management organisation (DMO), especially in the sphere of business travel and MICE. Extensive literature review has shown that convention bureau (DMO) activities have been a topic among a large number of researchers and papers, each focusing on a specific and individual activity or small group of activities implemented by a convention bureau, and not on the entire destination management process and classification of those activities. The author has seen the opportunity in the possibility to propose framework which would include all activities previously defined through literature review, to connect them, prioritise them and classify them into groups based on final outcomes. Methodology is based on interviews that have been carried out with convention bureau professionals with the aim of classifying all activities that were defined through literature review into logic groups, each with an understandable objective – coordination of destination stakeholders, destination marketing and destination sales. Coordination of destination stakeholders is focused on creating destination products and stakeholder synchronisation around a unified goal. Destination marketing is focused on communication and representation of destination. Destination sales means selling congress capacities within destination to clients. For each group of convention bureau destination management activities, a list of sub-activities has been proposed.

Keywords: destination management, convention bureau, destination sales, destination marketing, MICE

Sažetak

Kongresni biro je najdominantnija forma destinacijske menadžment organizacije (DMO), pogotovo u sferi poslovnih putovanja i MICE. Pregled literature je pokazao da su aktivnosti kongresnog biroa kao DMO bile predmet značajnog broja istraživanja i radova, pri čemu se svaki fokusira na specifičnu i individualnu aktivnost ili manju grupu aktivnosti koje kongresni biro implementira, a ne na celovit destinacijski menadžment proces i klasifikaciju ukupnih aktivnosti. Kroz rad, autor je iskoristio priliku da predloži okvir koji će obuhvatiti sve aktivnosti koje je su definisane kroz pregled literature, da ih poveže, izvrši prioritetizaciju i sistematizuje u grupe na osnovu rezultata koji se očekuju. Metodologija je bazirana na intervjuima koji su sprovedeni sa zaposlenima u kongresnim biroima kako bi se izvršila sistematizacija aktivnosti biroa definisanih na osnovu pregleda literature u logične grupe sa jasnim ciljevima, i to na – aktivnosti koordinacije stejkholdera u destinaciji, marketing destinacije i prodaja destinacije. Koordinacija stejkholdera je fokusirana na kreiranje destinacijskog proizvoda i unificiranje aktivnosti oko zajedničkog cilja. Marketing destinacije je fokusiran na komunikaciju i predstavljanje destinacije. Prodaja destinacije podrazumeva prodaju kongresnih kapaciteta destinacije klijentima. Za svaku grupu ovih aktivnosti na nivou kongresnog biroa sistematizovane su i pod-aktivnosti.

Ključne reči: destinacijski menadžment, kongresni biro, prodaja destinacije, destinacijski marketing, MICE

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Introduction to destination management concept

Destination management is based on active cooperation among all tourism stakeholders on one side, and large number of indirectly involved stakeholders on the other side. Destination management can be defined as a proactive tourist-oriented approach that stimulates economic and cultural development of a destination, based on the coordination among tourists and visitors, service providers and local community [21, p. 68]. Fundamental goal of destination management is to create an adequate and effective tourism product and program that will be a foundation for tourist memorable experiences [15, p. 138]. Subjective emotions, expectations and experiences gained during destination visits make satisfaction one of the most essential results of destination management [25, p. 148].

The most often destination management forms applied in practice are departments within public entities, public-private partnerships and separate private entities [1, p. 16], while most often names used for this type of entity include commission, tourist organisation, tourist office, convention bureau, information office, corporation and similar [17, p. 56].

The role of destination management is to coordinate integration of various resources, activities and stakeholders through proper politics and activities that imply certain competences in decision making and implementation processes [13, p. 234]. In practice, destination management organisations can act as self-needed organisation, without fulfilling their role and activities in field of stakeholder coordination [6, p. 7]. This means that, in given economic-political conditions, destination management organisations can put their own existence on first place, placing local tourism stakeholders, community and wider goals to the side.

Destination management is focused on establishing and improving long-term destination competitiveness [19, p. 2]. Successful model of destination management is based on strong public-private cooperation, and in situation when there is a strong control over financial spending on management activities from the private sector, then destination management results in new product development, marketing approaches, as well as in joint

marketing, research and infrastructure development [18, p. 62].

Destination management in the congress tourism¹

Convention bureau is the most dominant form of destination management and marketing organisation [8, p. 332]. As a destination management organisation (DMO), convention bureau has a role of active promoter of destination and all resources to the congress organisers, event planners, groups and individuals [2, p. 427]. Wider effects of the convention bureau activities are related to stimulation of local economic development, advancement of the local society and quality of life, protection of public sector interests and leveraging destination reputation [15, p. 3]. Over the year, a large number of companies and associations from different fields organise one or more meetings, events, congresses, conventions, exhibitions and events, and therefore more and more convention bureaus are established, focusing their resources on these lucrative segments [4, p. 118]. Convention bureau is in most cases a not-for-profit DMO, whose aim is to attract large number of congresses and conferences in a specific destination [12, p. 142], but also always trying to protect the interest of the congress organisers [24, p. 604]. Therefore, convention bureau is a vital communication channel among congress organisers and event planners on one side, and hotels, convention centres and other service providers on the other side [7, p. 163].

Destination management activities of the convention bureau

As a DMO, convention bureau implements a variety of activities. It is important to note that the final scope of activities depends, on one side, on the destination resources for meetings and events and, on the other side,

¹ The term congress tourism is used in the same manner as the term MICE; MICE stands for Meetings, Incentives, Congresses and Conventions, Exhibitions and Events; a term that is more frequently used in international market is the meetings industry. All previous relates to the business travel motivated by non-tourism motives, such as: attending business meetings, meeting new clients, product presentation, paper and research presentation, networking and similar.

on the bureau's resources, in terms of staff, budget and organisation form.

Convention bureau's first step is to develop an image in order to position destination as desirable for congress organisation [14, p. 61] and as attractive for clients and delegates [22, p. 4]. In this process, the convention bureau coordinates congress offer, decreases fragmentation and creates wider effects on the local economy such as job creation, increase of tax income and development [7, p. 160].

Providing information on congress capacities and service providers, distribution of client requests, bidding process for large events, destination, fair representations and congress ambassador programmes are some of the most important activities of the convention bureau [5, p. 163]. Since attracting new congresses to a destination is the convention bureau's purpose, destination sales is one of the basic activities [10, p. 335] as well as creating mutual trust, understanding and bonds with event planners and clients. Convention bureau advises and informs clients and event planners on best options that will work in a destination [7, p. 159]. Activities of the convention bureau also involve organisation of familiarity trips and destination inspections, during which the bureau plays the role of an objective consultant for the client in final selection of congress locations and service providers [24, p. 601]. Certain number of convention bureaus also provide housing services and registration for their clients [7, p. 164].

Besides activities oriented towards market and clients, convention bureau needs to get support from all congress stakeholders within destination, meaning that it needs to assist and support creation of business alliances and networks in order to reach destination growth. Coordination of meeting industry constitutive elements and playing a leadership role becomes very important destination management activity of a convention bureau. Creating a friendly business environment is a condition for future destination development. Convention bureau needs to stimulate product development, which means coordination of relationships and activities of destination stakeholders in the process of product and experience packaging [21, pp. 194-195].

Challenge for the convention bureau is that there is no total control over the congress destination value

chain, since organisers are providing congress budget themselves and are having holistic view of the destination, while destination stakeholders are focused on reaching profits for their establishments in the short term, creating a situation where the local stakeholder rejects client since it does not fit target [23, p. 130].

Research aim

The extensive literature review has shown that convention bureau has been a topic among large number of researchers and papers. At the same time, based on author's literature findings, analysis of convention bureau destination management activities is also identified as a research topic in a number of papers. It is possible to determine that each researcher has been focusing on a very specific and individual activity or small group of activities implemented by a convention bureau. Therefore, on the basis of analysed papers, it is possible to conclude that the universe of the convention bureau destination management activities is very large and that authors are focusing on individual activities, giving them different position from the strategic-operational aspects and main supporting aspects, but usually not in relation to other activities and other authors.

The following convention bureau destination management activities have been identified based on the literature review: destination promotion [2], delivering values to clients [11], direct communication with supply and demand stakeholders [4], position destination attractiveness for clients, decreased fragmentation, raise of local quality of life, client relationship management [14], development of the local economy [15], supporting creation of business alliances [23], coordination of meeting industry constitutive elements [20], product development, familiarity tours organisation [3], new lead generation [24], client requests' distribution, bidding process [9], responding to client requests, improving business environment, experience packaging, fair participation [5].

The author has seen opportunity for improving the existing literature on convention bureau destination management activities in the possibility to propose framework which would include all activities previously defined through literature review, to connect them, prioritise them and classify them into groups based on final outcomes.

Methodology

Individual in-depth interviews have been used in the classification process. Interviews have been done personally (face to face) with representatives of national convention bureaus. Semi-structured open questions were used. Respondents were not limited in answering questions, but the interview followed the structure that has been based on the literature review of the convention bureau's scope of activities.

Respondents needed to comment on each activity that has been highlighted through literature review: explaining how they see it, what is the outcome, is it important, is it necessary to implement it, what would they change in certain activities, is there any activity they would add, is there any activity they do not consider important for the list, and similar.

Respondents were representatives of 17 national convention bureaus in Europe: Austria, Czech Republic, Finland, Germany, Hungary, Italy, Netherlands, Poland, Slovakia, Spain, Switzerland, Denmark, Estonia, Latvia, Slovenia, Montenegro and Serbia. In Europe, there is a total of 27 national convention bureaus, meaning that the chosen sample accounts for 63% of the total. Each respondent was on a decision-making position, working for the meetings industry on average for 9 years. It is important to emphasise that respondents were asked not to speak about activities of their national convention bureau, but in general how they see activities of any convention bureau in Europe. All interviews were done personally by the author in the period September 2016 to March 2017, during IBTM trade show in Barcelona, during ECVB Alliance meeting in Florence, and during individual visits to Montenegro and Slovenia. The average length of the interview was approximately 45 minutes.

Results

Research resulted in the following classification of destination management activities of the convention bureau:

- Coordination of destination stakeholders
- Destination marketing
- Destination sales.

Coordination of destination stakeholders has the following aim: destination product development and stakeholder synchronisation around a unified goal. Coordination of congress stakeholders implies the following scope of sub-activities: analyses of destination stakeholders, development of cooperation programmes and platforms, creating industry networks and communication platforms, education and improving the level of service, support to mutual activities.

Destination marketing has the following aim: communication and representation of destination in the market. Destination marketing includes several subactivities: continuation of market research, positioning in selected markets, client relationship management, communication with clients and presentations, lobbying and intermediary communication.

Destination sales has the following aim: selling total and/or partial congress capacities within destination. Destination sales entails the following sub-activities: defining priorities, bidding for congresses, fair participation and organisation of destination inspections and familiarity (FAM) trips.

Limits

Literature review is based on the number of researches and papers that author has managed to identify. A number of papers dealt with the convention bureau and its activities in terms of destination management organisation as the main topic.

Research was focused on representatives of national bureaus. Although the sample is relevant, still the research did not include opinions and standpoints of local convention bureaus and city convention bureaus. At the same time, research focused only on a limited part of the supply side of the industry – convention bureaus, and did not include opinions of other supply stakeholders, like hotels or agencies, or positions of demand stakeholders such as congress organisers, event planners or delegates.

Future research

Future research can be implemented in order to test the proposed classification on representatives of demand stakeholders. Based on the findings in this paper, international congress organisers can express their position on activities of a destination, which are within the proposed classification, are important for them and have influence on destination selection process.

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