



Africa Capacity Building project: ICCA Africa Knowledge Papers



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About the ICCA Africa Capacity Building Project

ICCA Africa is a chapter of the International Congress & Convention Association (ICCA) which is based in Amsterdam, the Netherlands. ICCA is broadly acknowledged as the lead global peak body representing the suppliers within the business events industry. ICCA's member sectors include Destination Marketing, Venues, Transport, Meetings Management and Meetings Support.

Africa in many ways is in nascent stages of developing its business events industry. Relatively few countries have well developed industries, some are works in progress, but most are just beginning to focus in on this important economic development driver.

Recognising that pan-African growth and transformation will be dependant on global engagement, professional development and the development of knowledge and creative economies, ICCA Africa has launched the Africa Capacity Building Project.

The goal of the project is to be a resource for ICCA Africa members, and by extension for their local industry colleagues, their policy makers and their broader communities. Through a series of white papers, our goal is to broaden the understanding of the industry and to explore the key issues that are most important to building success.

As more communities and countries develop their own successful business events industries, all of Africa benefits. Economic transformation throughout Africa will impact positively on every nation in Africa. Increasing business events activity levels throughout Africa will elevate service levels and capacities. This in turn will strengthen Africa's brand, both in the business events sphere and in general business and professional terms.

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The Benefits of Hosting Business Events

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What are Business Events?

Business events are gatherings of groups of people for trade or professional purposes. The four main types of business events are:

Figure 1 - Types of business events



Conventions or Congresses

Meetings of members of an association, usually for the purposes of continuing education, knowledge exchange, networking and managing the governance of the organisation.



Incentive meetings

Company sponsored travel programs where groups of people are rewarded for their successful performance in achieving corporate goals.



Exhibitions

Consumer shows or trade expos, usually for the purpose of providing a platform through which sellers (exhibitors) can showcase products and services and buyers (attendees) can learn about them.



Corporate meetings

Company sponsored meetings that serve a business purpose, such as product promotion, planning, developing business strategies, training and team building.

Who Benefits from Hosting Business Events?

It is obvious that hotels and other hospitality related businesses generate income from any kind of group meeting. What is perhaps less understood and appreciated is that there are many other beneficiaries. The matrix below illustrates the various beneficiaries of business events and the benefits gained.

Table 1 - The benefits of hosting business events

		Beneficiaries							
		Corporations	Professions	Governments	Communities	National Associations	Universities	Hospitality Suppliers	Hospitality Workers
Benefits	Knowledge	Provides a capable workforce / innovation	New capabilities / career advancement	Supports knowledge and creative economy	Growing economy / standard of living	Professional development / advancement of the field	Knowledge exchange / Learning opportunities for students		
	Networks	Helps strengthen international supply chains and distribution channels	Professional exchange / collaboration	Economic development	Growing economy / standard of living				
	Exports / Trade	Generates business	Secure employment	Tax revenues	Growing economy / standard of living				
	Industry Development	Local supply chains and distribution channels	Job opportunities	Cluster development / jobs	Lower unemployment				
	Foreign Investment	Provides capital for business expansion	Job opportunities	Economic growth	Growing economy / standard of living				
	Talent Recruitment	Builds human resource Learning capacity	Stronger professional communities	Supports knowledge and creative economy	Growing economy / standard of living				
	Social outcomes			Improved health and public welfare	Improved quality of life				
	Direct spend that stimulates the economy			Generates tax revenues / Foreign exchange / industry sector	Economic growth / growth in government services / reduced unemployment / Expanding hospitality services enhance quality of life			Generates business	Secure employment / job growth

Source: GainingEdge, 2022

Who Benefits from Hosting Business Events?

Hospitality Businesses – A quick look at the bottom of the matrix shows that hospitality suppliers and their employees are only directly impacted by one of the many benefits, that being the direct spend by delegates and event organisers when they meet in the destination. All of the other benefits are accruing to other beneficiaries.

Investors that attend business events can provide capital for business expansion.

National Associations and Universities – One of the primary goals of conventions is knowledge exchange. National associations and universities are often the instigators of efforts to host regional and international conventions for this very reason. Both associations and universities are essentially in the knowledge business. Again, once accounting for these knowledge benefits all other benefits flow to the other segments of the community, as detailed below.

Corporations – Business events bring customers and goods and services providers to local corporations' doorstep. This helps corporations to form stronger supply chain and distribution networks. Bringing in foreign "buyers" helps to develop export markets and generate trade.

When business events stimulate industry development, corporations benefit from the growth of local supply chains and distribution channels. Investors that attend business events can provide capital for business expansion. And, business events also encourage the acquisition of new talent which builds human resource capacities for corporations.

When a convention comes to a community, it brings global thought leaders in that field to the community.

Professions – Doctors, scientists, engineers, educators and all other types of professionals work in ecosystems that require that they continue to learn and innovate. Associations, the organisations that hold conventions, are key to professional lifelong learning. When a convention comes to a community, it brings global thought leaders in that field to the community. The related professionals in that community are able to learn from them and form global networks with them.

Professionals also receive flow-on benefits from the positive business impacts on local corporations. When local corporations grow and prosper, local professionals have secure employment, enhanced job opportunities and career growth.

Governments – Most visionary governments have long range social and economic development strategies. All of them include a focus on building knowledge and creative economies. These are more sophisticated economies that don't rely as heavily on agriculture and manufacturing. Knowledge and creative service sectors drive a higher powered economy that is more diverse, resilient, stable, productive and wealthy.

Governments the world over are beginning to see that business events play a key role in building modern economies.

Who Benefits from Hosting Business Events?

Governments the world over are beginning to see that business events play a key role in building modern economies by enhancing the local knowledge base, creating global networks, attracting investment, stimulating the development of priority industry sectors and enhancing professional development. The resulting business and trade benefits also provide jobs growth and growing tax bases. The legacies of hosting conventions can also provide important social outcomes like improved health and public welfare.

Governments that think of business events as merely relating to tourism ... will suffer a significant opportunity cost

Communities – When economies grow and prosper, communities of people are the ultimate beneficiaries. The flow on effects of the benefits driven by business events include lower unemployment, enhanced standards of living and improved quality of life.

Hosting business events is a powerful strategy for building global networks.

Summary

A common misperception is that business events only benefit hotels and other hospitality businesses. To frame that perception look only at the bottom of our matrix and cover the rest with your hand. Then remove your hand and notice everything that you were not seeing. Focusing only on the bottom of the graph is short sighted and fails to understand the myriad economic and social benefits that are driven by connecting a community globally.

Hosting business events is a powerful strategy for building global networks. Governments that are most successful at leveraging business events tend to use a strategic “whole of government” approach, because there are business events that relate to all ministerial portfolios – health, transport, industry, commerce, agriculture, science, technology, education, energy, environment, justice, labour, sports and yes, tourism. But, governments that think of business events as merely relating to tourism will ultimately have under-performing business events industries and will suffer a significant opportunity cost as a result.

Business Events Legacies

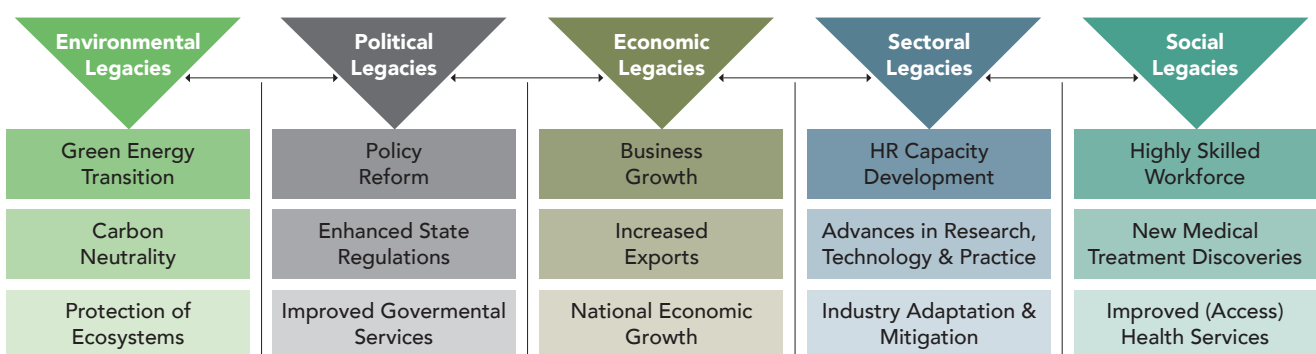
The benefits discussed before are the ones that accrue from hosting business events in general. All types of business events will produce legacies, however, conventions tend to be the most focused on specific legacy goals and have their own unique impacts. Each individual convention will drive a range of benefits that are unique to that event. These are called convention legacies.

Types of Legacies

In work done for the BestCities Global Alliance, GainingEdge identified 5 basic categories of legacies – environmental, political, economic, sectoral and social. It would be impossible to list all the types of legacies that occur from conventions because there are tens of thousands of conventions every year and each of them have their own unique impacts. The illustration below provides just a few examples of specific legacies that can occur under the five categories.

Key to understanding legacies is that one direct legacy from a convention can help drive other indirect, or flow-on legacies. These legacies can influence flow-on legacies within a category or between categories. For instance, using the illustration below, when a convention leaves an economic legacy, say business growth, it can then help drive other flow-on legacies like increased exports and broader national economic growth. In like manner, those legacy impacts might drive impacts in other categories. For instance, economic growth would provide tax revenues that would lead to improved government services, a political legacy. It might also drive more human resource capacity development, a sectoral legacy. That might also lead to a more highly skilled workforce, which is a social legacy. One way to put it is that convention legacies can be very specific, but can also have an organic impact on a community, where the benefits are rippling in various ways through society and its economy.

Figure 2 - Types of convention legacies



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Business Events Legacies

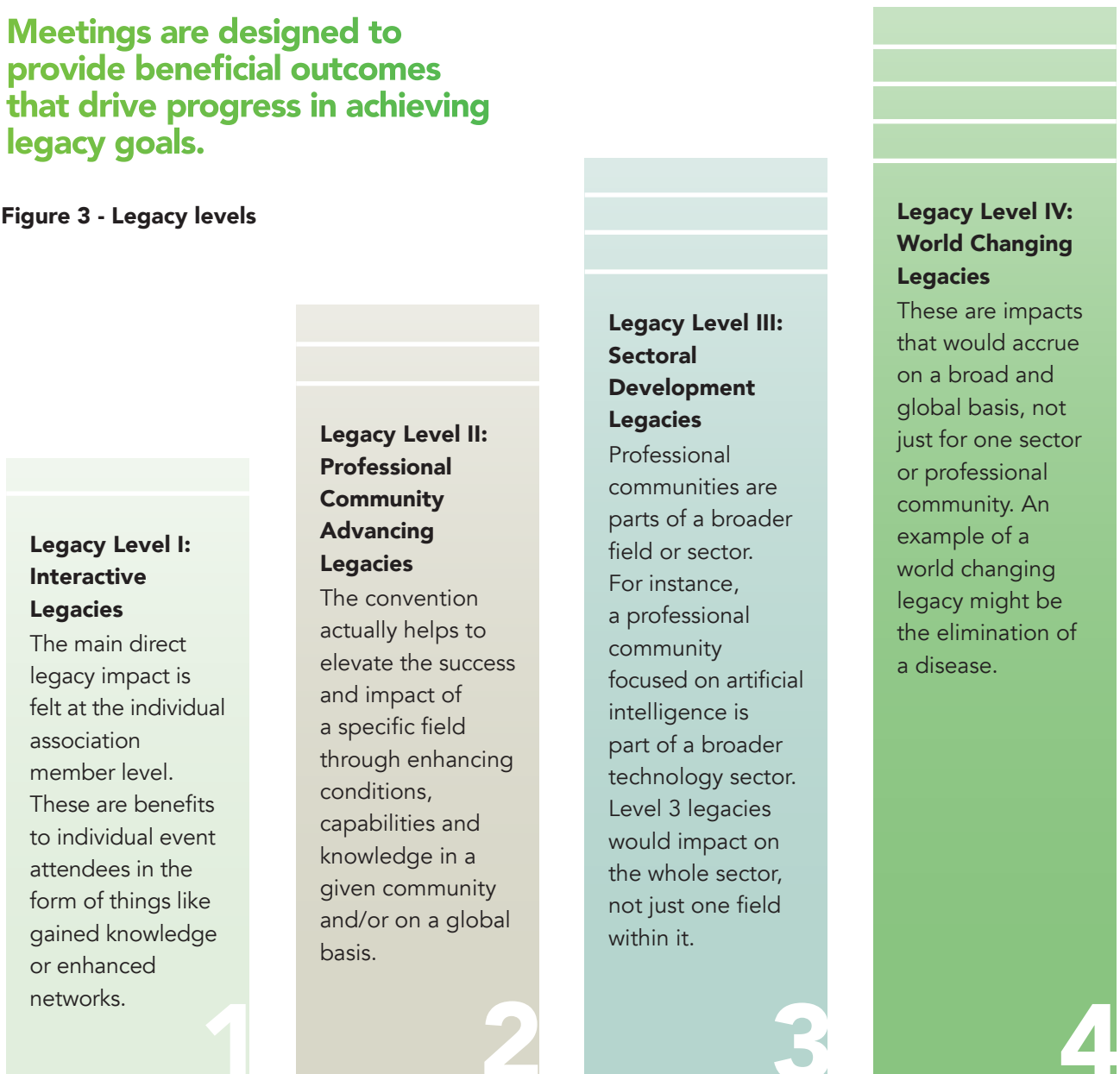
Legacy Levels

When conventions are held, the regional and international associations and the local host organisation are generally seeking meeting outcomes that will advance their legacy goals. The BestCities study demonstrated that these legacy goals could be narrowly focused, like helping participants to build networks, or they could be very broad and ambitious like having a major positive impact on society. In either case, meetings are designed to provide beneficial outcomes that drive progress in achieving legacy goals.

The following 4 levels of meeting legacies were identified:

Meetings are designed to provide beneficial outcomes that drive progress in achieving legacy goals.

Figure 3 - Legacy levels



Source: GainingEdge, 2022

Business Events and United Nations Sustainable Development Goals (UN SDGs)

Hosting business events are an effective way for communities to advance UN SDGs. There are conventions that are expressly focused on individual UN SDGs, like eliminating poverty and hunger, producing sustainable resources, improving the environment and advancing equality.



Many conventions are medical in nature, driving outcomes that align with **Goal 3 – Good Health and Well Being.**



All conventions by their very nature can help a community to achieve progress in a variety of UNSDGs. Every convention helps to drive **Goal 4 – Quality Education** because each is delivering training programs critical to lifelong learning and professional advancement.



Goal 8 is Decent Work and Economic Growth. All conventions deliver direct economic impact in the form of delegate spending and they also are a very impactful way to strengthen professional fields in a community which also drives economic growth.



Every convention helps advance **Goal 9 – Industry Innovation and Infrastructure**, because by their very nature they are bringing people from a given industry together to collaborate and innovate.



Finally, **Goal 17 is Partnership for the Goals**, which requires various actors to collaborate together to advance the goals. Again, conventions by their very nature are collaborative forums and most associations are very focused on their role in advancing UN SDGs.

Most governments are committed to pursuing the advancement of UN SDGs, and pursuing a strategy of bringing more business events to their local communities is a very effective way of achieving progress. Stated simply, hosting business events is also a strategy for successful advancement of UN SDGs.



Building Support and Advocacy

The resources that a community can bring to bear to build its range of business events will have a significant impact on what it can achieve. The stronger and more unified the effort, the more events and the greater the resulting benefits.

A successful community or nation needs a sophisticated event strategy which includes lots of key elements:

Figure 4 - Business events strategy



Source: GainingEdge, 2022

Building that kind of cohesive and synergistic approach to the business events market requires that all players perceive benefits and value. The value proposition must be compelling to the range of players.

We hope that the discussion of benefits here will help African destinations to formulate strong value propositions to the range of constituencies that must be engaged. The key beginning point is to move away from the short-sighted notion that the most important benefit is business to the hospitality industry. Certainly that industry is important to all African economies, and a lot of positives come from having a thriving hospitality industry. But, when people see that as "the point" of hosting business events, progress will suffer.

Building Support and Advocacy

Places that see business events as a tourism market niche are places that will ultimately fail to achieve high business levels. That's because when it's only about tourism, only people who care about tourism will become engaged. And the people who care only about tourism will typically not see business events as a priority since those events are a relatively small proportion of the total tourism industry. In short, in places where business events are spoken of as "business tourism" there will be a limited audience with limited enthusiasm resulting in limited success.

In places where business events are spoken of as "business tourism" there will be a limited audience with limited enthusiasm resulting in limited success.

Governments will make an adequate commitment if they understand that business events are a driver of desired outcomes affecting a range of government priorities.

National associations and professionals are not really very focused on generating business for the hospitality industry but they are focused on building their own communities and helping them to be successful.

Corporations that see business events as a way to strengthen supply chains, distribution channels and talent recruitment efforts will be more receptive to being involved.

In general, all of these players and the community at large are far more interested in activities that bring broad economic and social benefits than they would be in the simple prospect of hosting groups of people who spend money for a few days.

Truly understanding and effectively communicating the real value of business events is essential to building a successful destination. Business events are a powerful channel into global trade and intellectual networks. Engagement in those networks are fundamental to African economic and social transformation.

Truly understanding and effectively communicating the real value of business events is essential to building a successful destination.

Africa is only beginning to realise both its potential in this industry, and the potential of the industry as a force for positive growth and development. ICCA Africa's goal is to help drive that forward momentum and to make Africa the world's new business events success story.

Business Events Segments and Types

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Business Events Market Segments

What is a Market Segment?

A market segment is a defined portion of a market that has consistent characteristics, needs and behaviours. Addressing your target markets in this manner helps you to:

1. Understand your various types of customers better
2. Develop more effective communications with the different audiences
3. Set your target market priorities

The process of “breaking down” your market in this manner is referred to as “market segmentation.” The most common forms of segmentation in the business events industry are by meeting type and by geography.

Meeting Types

The four most prominent meeting types that are targeted by destinations are often referenced by the now outdated acronym “MICE” which stood for meetings, incentives, conventions and exhibitions. For the most part the global industry is now using the term “business events” since all of these kinds of meetings both have a business purpose and also bring business, economic and social benefits to the communities in which they meet.

It’s important to note that ICCA as an organisation is primarily focussed on conventions or “congresses.” However, many ICCA members also pursue the other meeting types, so we will discuss them in this section.

Figure 5 – Meeting types



Conventions – also known as “congresses” are meetings organised by associations to bring their members and audiences together and usually include education and networking programs.



Meetings – refer to corporate meetings, which are arranged by companies for purposes like discussing company business or strengthening working relationships between the company and its customers or suppliers.



Exhibitions – also known as “trade fairs” (B2B) or “consumer shows” (B2C) are essentially where groups of buyers (or “delegates”) interact with sellers (or “exhibitors”) who are showcasing their goods and services in exhibit stands.



Incentives – also known as “incentive meetings” are organised by companies to motivate and reward groups of people who help the company to be successful. Examples include internal team members like sales people who achieve sales goals or production teams who achieve higher outputs. They can also include external audiences like distributors or retail outlets that achieve high levels of sales of the company’s products.

Understanding the Different Segments

Conventions

While there are gatherings as large as 20,000 people or more, 76% of conventions are for 500 or fewer delegates (ICCA Statistics 2020.) Unless their participation costs are sponsored by a company or employer, those delegates pay their own costs in attending the convention including a registration fee. The association then uses the registration fee income to pay for the costs of meeting facilities, catering, group transportation, etc.

A global convention will plan in advance, usually selecting a destination 4 or 5 years in advance of the meeting date. Regional and national conventions often plan with shorter time horizons.

76% of conventions are for 500 or fewer delegates

ICCA uses the following criteria to define an international convention:

1. It takes place on a regular basis
2. Rotates between a minimum of 3 countries
3. Has at least 50 participants

Once a convention has met in a destination they will likely not return for a number of years

National associations usually only have meetings in their home nation. So, for ICCA's purposes those meetings are not considered international. An African association will usually hold conventions in various African nations and a global association would usually meet in different parts of the world. ICCA would designate those as international meetings.

Associations tend to rotate their meetings to different places in a country, region or the world. So once a convention has met in a destination they will likely not return for a number of years.

Association conferences often include a welcome reception, plenary session, breakout sessions, banquets, poster sessions and an exhibition. Because of these requirements they are likely to choose a convention centre for their conference but will also consider hotels with sufficient meeting capacity or university campuses.

Incentives

Incentive meetings are organised and paid for by the company that is organising them. While some can be very large or very small, most incentive groups are in the range of 50 – 100 people.

Most incentive groups are in the range of 50 – 100 people

Almost all incentive meetings would be organised more than a year in advance, most 12 – 24 months ahead of time and sometimes longer. Since they are designed to motivate people to achieve annual goals, the organisers would want to announce plans prior to the start of a company's operating year. The trip itself would happen after the conclusion of that year when final results are able to be measured. The company would usually spend the full operating year promoting the incentive program as a way to build excitement and thus motivate people to win the reward by achieving their goals.

Understanding the Different Segments

The choice of destinations would ultimately be up to the company, often based on a recommendation by an in-house meeting planner or a corporate travel management company. Also, there are companies that specialise in organising corporate incentives often referred to as “incentive houses.” It’s important to understand that an incentive house can organise different types of incentive programs, often involving cash or desirable merchandise. Travel is only one form of incentive. However, many companies prefer travel incentives as they are more memorable, and more likely to generate “buzz” among participants - the ones who talk about how great their trip was are essentially motivating next year’s candidates to become high achievers.

Incentive meetings tend to want to change destinations from one year to the next

Incentive meetings tend to want to change destinations from one year to the next as people who win the reward in a given year would be more motivated to perform in the next year if there is a new and different trip on offer. If a company has multiple distinct groups of incentive candidates it may use a destination repeatedly over a few years. Also, an incentive house that has multiple corporate clients could become a regular user of a destination.

Corporate Meetings

Like incentive meetings, corporate business meetings are organised by the company and it pays all costs. Again, some of these can be large or small, but most would be fewer than 50 people.

These meetings tend to have the shortest planning horizons. While many of the larger meetings may be annual and therefore would make decisions a year in advance of the meeting, many smaller ones can be organised with very short lead times and are planned as needs and opportunities arise.

The location of corporate meetings are usually decided by managers within the company who are organising them or their procurement departments. They may be supported by in-house meeting specialists or corporate travel companies. Corporate meeting planners have a preference for all in one facilities i.e. business hotels with meeting rooms and will often have global contracts with major hotel groups.

Exhibitions

Exhibitions are usually commercial operations, managed by “show organisers” or “show producers” for the purpose of generating profits. The exhibition industry actually grew out of the publishing industry. Just as trade magazines had sellers (advertisers) and buyers (readers) exhibitions were originally seen as a “live” magazine, where sellers (exhibitors) could actively interact with buyers (show attendees.) Trade associations and governments commonly own and run their own trade events.

Again, exhibitions can vary in size but tend to be the largest of the business events segments. It is not uncommon for exhibitions to be attended by thousands of people.

Understanding the Different Segments

In the case of exhibitions, the sellers are people who work for commercial companies or other types of organisations and their respective organisations are covering the costs of travel, exhibiting and entertaining clients. Trade buyers will sometimes have their companies pay for the costs of attending, or sometimes even have their travel costs sponsored by the show organiser. Consumers will pay an entry fee for their attendance at public exhibitions. The organiser is making their money primarily off exhibit space rental, sponsorships or entry fees (consumer expos), so to attract exhibitors they must deliver a strong audience of buyers.

Exhibitions can vary in size but tend to be the largest of the business events segments

These days most exhibitions will also include an education program or conference for the buyers as a way to entice them to attend. So, exhibitions have large spaces devoted to their “show floors” and smaller meeting spaces for their education programs. Conventions are the opposite, they have large amounts of meeting space for delegates but relatively smaller exhibition spaces. For a convention, setting up an exhibition space is a way to attract participation from companies who are seeking to network with the association’s convention delegates who are their clients. It’s a way to generate exhibition and sponsorship income.

A new, first time exhibition will often have a planning horizon of 18 – 24 months, as once an event location is chosen the organisers must make contractual arrangements in the destination for exhibition space, needed hotel room blocks and exhibition and event services. Once those arrangements are completed, an exhibition generally needs a year to promote attendance and to sell the stand space to exhibitors. However, once an exhibition has been successfully completed it will usually become an annual event operating on an annual planning cycle.

Exhibitions offer large impacts – they are usually multi-year and draw large numbers of visitors

Exhibitions offer large impacts in terms of the visitor economy because they are usually multi-year and draw large numbers of visitors. They are also a platform for B2B and B2C transactions.

Table 2 – Characteristics of the different market segments

CHARACTERISTICS	CONVENTIONS	INCENTIVES	CORPORATE MEETINGS	EXHIBITIONS
Who chooses destination?	Association	Company	Company	Show producer
Who influences?	Core PCO	Incentive House, TMC, Corporate agency	Corporate agency	
Who pays?	Delegates	Company	Company	Delegates and Exhibitors
Typical group sizes	100 – 1,000 (+)	50 – 100 (+)	20 – 100 (+)	1,000 – 5,000 (+)
Planning horizons (Time from destination decision to event occurring)	National: 1 – 2 years Regional: 2 – 3 years	6 months – 2 years	Smaller: 3 – 6 months Annual: 1 – 2 years	New show: 1 – 2 years

Source: GainingEdge, 2022

Different Customers Have Different Needs and Expectations

Conventions

When an association is choosing a destination it will first shortlist those that satisfy all of their “hygiene factors,” meaning the issues that are “must haves” in the association’s view to organise a successful meeting. For associations the hygiene factors tend to be capacity related – is there easy and efficient air access? Does the destination have adequate convention space to accommodate the delegates and programme? Are there enough hotel rooms (in a mix of 3 – 5 star hotels) within close proximity to the major venue? Both the perception and the reality of the safety and stability of the destination is also a common emphasis.

Key differentiators will be affordability, good logistics, experienced suppliers and the delegate draw factor

For those destinations that meet the required criteria, association must then choose between them based on which ones they see as more likely to provide the best meeting outcomes. Some of the key differentiators will be affordability, good logistics, experienced suppliers and the delegate draw factor.

While destination appeal in a tourist sense may add to the draw factor that is less important for conventions

While destination appeal in a tourist sense may add to the draw factor that is less important for conventions. The draw factors will have more to do with how well the destination fits the “technical programme” which is referring to the training and networking components of the meeting. Is the destination a leader in the related field? Can attendees hear from local experts and

participate in special technical tours and programs that will help them see new innovation and gain new understandings and insights? Will they be able to form new business, scientific or professional networks within the destination? As an example, a bio-medical conference would prefer to be in a destination that had strong local science in bio-medicine.

Table 3 – Needs and expectations of the different market segments

WHAT THEY WANT	CONVENTIONS	INCENTIVES	CORPORATE MEETINGS	EXHIBITIONS
Hygiene Factors (Pre-qualification)	<ul style="list-style-type: none"> • Easy air access • Mix of 3 – 5 star hotels • Convention venue • Safety and stability • Local host 	<ul style="list-style-type: none"> • Easy air access • 5 star hotels and resorts • Safety and stability 	<ul style="list-style-type: none"> • Easy air access • 5 star hotels • Safety and stability • Market presence / market opportunities 	<ul style="list-style-type: none"> • Easy air access • Quality hotels • Exhibition centre • Safety and stability • Market potential (buyers/sellers) • Ease of logistics
Differentiators (Final decision)	<ul style="list-style-type: none"> • Affordability • Good logistics • Strength in field • Delegate draw factor • Experienced suppliers • B2B opportunities • Content • Local support 	<ul style="list-style-type: none"> • Value • Good logistics • WOW factor • Destination appeal • Quality service 	<ul style="list-style-type: none"> • Value • Good logistics • First-class amenities • Destination relevance • Quality service 	<ul style="list-style-type: none"> • Value • Good logistics • Buyer draw factor • Experienced suppliers

Different Customers Have Different Needs and Expectations

Incentives

Incentive meeting planners, like their convention counterparts, are typically looking for easy direct air access and safe, stable destinations. But since incentives are “high end” events meant to impress, another hygiene factor for them would typically be 5 star hotels and often, resorts.

Customers will always be motivated by value and easy logistics – stronger programs with more time in rewarding activities and less time just moving around. Here destination appeal and high quality service are critical. Because the event is focused on motivation, for incentives a key differentiator is the “WOW” factor that a destination can deliver.

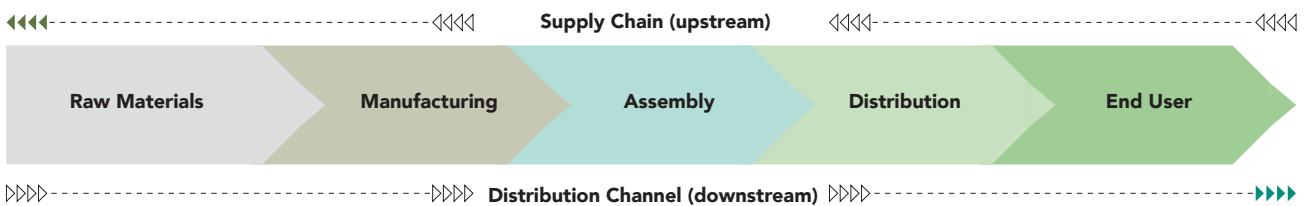
For incentives a key differentiator is the “WOW” factor that a destination can deliver

Corporate Meetings

Corporate meetings are very similar to incentive meetings in terms of their wants and needs. The main difference is less emphasis on the “WOW” factor but usually an equal focus on first-class amenities. Corporations generally want to convey a sense of style and sophistication. For corporate meetings the motivator is less about destination appeal and more about destination relevance.

To understand destination relevance, one needs to understand the fundamental reasons that companies hold meetings. In general terms, companies hold meetings for the purpose of being more successful. Success is about developing markets, improving productivity, strengthening operations and ultimately, driving profits. So, companies generally hold meetings related to their supply chains, distribution channels or value chains.

Figure 6 – Supply chains and distribution channels



Source: GainingEdge, 2022

A company sources its supply from upstream, meaning if it is a distributor it is needing supply from assemblers, assemblers need supply from manufacturers and manufacturers need raw materials. So some meetings are about managing a company’s supply chains. A distribution channel is essentially the

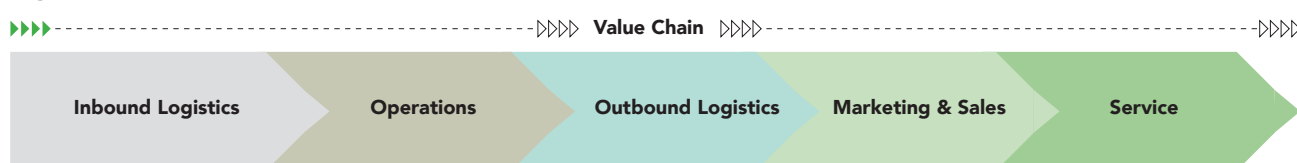
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opposite of the supply chain, meaning that companies are seeing to distribute their products downstream. So, while a manufacturer is a supplier to an assembly company, an assembly company is a buyer of manufactured products. If a company is seeking to build on their relationships with buyers or distributors, it is holding meetings with them with an aim to strengthen their distribution channels.

Different Customers Have Different Needs and Expectations

Whether building dependable supply or more loyal customers, these meetings are essentially “external” meaning the company is wanting to meet with people outside their own company to build relationships and make long-term business arrangements.

Figure 7 – The value chain



Source: GainingEdge, 2022

A value chain is the internal processes through which companies bring their products and services to market. These processes typically include bringing in some type of supply through inbound logistics and then adding value to it, shipping it to distributors, promoting it and ultimately providing product service support.

Companies have meetings to strengthen their value chain, the way they operate, to improve processes and ultimately again, to increase profits. As such these meetings are “internal” for people who work inside the company.

The main thing to understand is that corporate meetings will take place where a company has key supply sources, where they have key demand markets or where they have corporate installations. As such, destination selling is less effective. In general, these companies aren’t choosing a destination based on anything other than where it is logical for them to meet. For the most part, they will decide where to meet, they won’t be convinced where to meet. Hotels and venues who are selling to the corporate market aren’t convincing the companies to meet in the destination. They are convincing companies that have already decided to meet in the destination to use their hotels or venues.

Exhibitions

Like other types of meeting planners, show producers will always want good air access for buyer and exhibitor delegations, quality hotels close to their main venue and a safe and stable staging place. The key capacity issue will be the size of the exhibition centre - is it adequate to accommodate the expected crowd?

Here again good logistics and experienced local suppliers are key. The value equation is very important to these customers, they are in business to make money and they typically are putting a high premium on low organising costs, like lower cost exhibition space rental. The two most important location criteria for exhibition organisers are proximity to sellers and the draw factor for buyers.

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To understand the buyer-seller dynamics of exhibitions it’s important to understand the different types of shows. “Trade shows” are B2B shows where both the exhibitors and the buyers are business people. “Consumer shows” are B2C where the exhibitors are promoting the sale of goods and services to consumers (e.g. a car show or garden show.) It’s also important to understand the difference between “export shows” and “import shows.” At export shows there are local sellers and foreign buyers. At import shows there are local buyers and foreign sellers.

Prioritising Target Segments

Market Segment Priorities

In general, destination promoters should focus on market segments where promotion makes a difference. From a convention bureau perspective, the corporate meetings market is the one least influenced by destination selling so in general a bureau isn't really adding value by spending time developing this market segment. However, there are instances where a bureau can be opportunistic, discovering meetings that really are destination shopping and then seeking to secure those. Logical targets include meetings that are focussed on bringing regional or global groups together. Those can be meeting of distributors, end users or corporate departments from different parts of a broader geographic region. Since people are coming from various places in a region, the choice of destination then becomes more relevant.

For exhibitions, like corporate meetings, the choice of destination is mostly driven by market realities, not by destination appeal or differentiation. Export shows will happen where there are lots of sellers in a place that will attract buyers. An import show will happen where there are lots of buyers. As such, exhibitions aren't really a destination sell per se, and if destination promoters add value, it will mostly be in securing government financial support or providing general support services to the show producers.

Convention and incentive markets are the ones that are most influenced by destination promotion efforts

Ultimately, the convention and incentive markets are the ones that are most influenced by destination promotion efforts. The rest of our discussion will focus on those.

Geographical Considerations

Associations can be global, organised regionally for one part of the world or national. So, for instance there would be the International Association, the African Association and the Kenyan Association of Microbiology. Unless there is a demonstrated willingness to meet outside their own country it is generally not practical for a destination to target a national association from another country. Targeting national conventions from within a country may have value, but is not a logical focus of time and attention if the meeting is likely to be held in your destination anyway. It is more common for 2nd tier regional cities to actively compete for national events that frequently rotate between major cities.

The easiest *international* convention targets for African destinations will be those planned by African regional associations. Also, once a destination has hosted a regional meeting it has a working relationship with the association and has a better chance of working in partnership with it to attract a related global meeting.

Prioritising Target Segments

Some African destinations are successful in hosting long-haul incentives, and for them the priority markets are within Africa itself, and especially Europe and North America. Latin America and Asia, especially China and India are also viable markets but only if there is direct or easy access to the destination. In general, a market's distance and its proportion of the incentive meetings happening will likely correlate. The vast majority of incentive business will come from short to medium haul origin points. The key is that these different markets have different expectations and priorities in terms of types of experiences, costs, etc. So, when considering incentive market priorities it's important to evaluate a destination's product offering and viability for the given market being considered.

A market's distance and its proportion of the incentive meetings happening will likely correlate

Capacity Considerations

A destination should look to its venue and hotel capacities when deciding what sized conventions or incentives to target. The general approach begins with establishing an optimum capacity number for the primary venue. The rule of thumb would be to look at how many delegates could be accommodated in plenary mode with enough other space available to then accommodate them for meal functions, break-out meetings and any exhibition that may form part of the meeting. In general, the same multi-function space can accommodate both plenary sessions and meal functions provided that there is time to reconfigure the space between the two. However, exhibition space is static as it must accommodate stands throughout the event and most conventions would move delegates directly from plenary sessions to break-out sessions leaving no time to reconfigure spaces.

Once an optimum group size is determined for the venue, consideration should be given to the number and standards of hotel rooms within close proximity. Another general rule is that hotels will not commit their entire room inventory to a convention as they have other customers (business travellers, tourists, etc.) that must be accommodated. Their common yield management practices result in another rule-of-thumb, that a hotel will typically offer a maximum room block of approximately half its total inventory. So, if there are 2,000 hotel rooms close to the convention centre, the "committable rooms" are approximately 1,000. A destination's "sweet spot" capacity is the lower of the two numbers when comparing the venue capacity to the numbers of committable rooms. Once a "sweet spot" is determined, the priority targets would be groups that size or smaller.

It is generally not productive to seek to secure meetings that a destination will struggle to accommodate

It is generally not productive to seek to secure meetings that a destination will struggle to accommodate. The likelihood is that the destination will not be short-listed and thus the effort is wasted. If a destination secures a meeting that it can't effectively accommodate then the meeting is likely not to go well. In this instance there will be unhappy customers and bad word-of-mouth and over time the destination will suffer damage to its brand which could lead to future business loss.

Prioritising Target Segments

Product Considerations

Beyond the hygiene factors of air access, venue/hotel capacities and safety and other issues already discussed, a really key consideration is service levels. Is the local supplier community experienced in delivering services to conventions and/or incentives? International groups typically have higher service expectations and different business practices than do national or regional groups. If the local industry does not have extensive international experience then the destination is going to be more successful at servicing regional ones and more of the business will be derived from those closer markets. Training and hosting some international groups can gradually lift this capacity, but in terms of market priorities it is logical to relate the targets to the current service levels.

International groups typically have higher service expectations and different business practices than do national or regional groups

While **convention planners** are looking for destination strengths and relevance in relation to their field they will also evaluate the destination in relation to its ability to deliver positive travel experiences to delegates who choose to extend their stays. Attractions, restaurants, cultural offerings and pre & post touring product will always be a consideration.

Incentive planners are NOT looking for “off-the-shelf” tour itineraries, the types of activities that form common product for group tours. They are looking to provide an experience that is seen as unique and amazing, going beyond the types of activities that any group tour participant or other tourist would likely experience. So, the product here must be creatively packaged – unique activities in unique venues and settings, team building exercises, CSR programmes and often business meeting components. Strong incentive itineraries involve creative production, thrilling entertainment and other elements that leave participants talking about what an amazing experience it was. If your destination is going to target incentive business you will need three key ingredients - well defined product (locations, itineraries, activities, entertainment), in-bound operators who know how to sell the product and a local supplier community that knows how to deliver the product.

Incentive planners are NOT looking for “off-the-shelf” tour itineraries, the types of activities that form common product for group tours.

Conclusion

Successful destinations are ones with clear market priorities and goals. They understand the dynamics, nature, wants and needs of different types of customers and they focus on hosting the types of events for which they are most capable of delivering good meeting outcomes.

Ideally, a convention bureau, the industry and government will work collaboratively on a formal destination development strategy which is a roadmap for building the local business events industry. That strategy will include an assessment of the destination's capabilities, target markets best served, ways to strengthen destination product, and goals and measurements for making sure the destination builds on and achieves its potential.

While destination development strategies are forward looking over longer time horizons, a marketing plan is more immediate term – what are we going to do this year to secure both short and long term business?

Clearly understanding market segments and setting effective target priorities is a fundamental part of both destination and marketing planning. Doing that well will have a big impact on the ultimate success of a destination.

Clearly understanding market segments and setting effective target priorities is a fundamental part of both destination and marketing planning

Understanding Associations

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Associations and Civil Society

What is an association?

An association is essentially two or more people who join together for a common interest or purpose. They are typically not-for-profit organisations that have member communities who are seeking benefits from participating. Key examples include:

Figure 8 – Association membership benefits



Source: GainingEdge, 2022

Associations are important to professional advancement, industry development and product and service innovation. Associations are also major drivers of social and economic benefits.

What is meant by “civil society?”

Business and government are two sectors of society and civil society refers to the third. It is comprised of educational, religious and cultural institutions, advocacy groups, associations, philanthropic organisations and NGOs.

According to the World Economic Forum, civil society’s work can involve holding institutions to account and promoting transparency; raising awareness of societal issues; delivering services to meet education, health, food and security needs; implementing disaster management, preparedness and emergency response; bringing expert knowledge and experience to shape policy and strategy; giving power to the marginalized; and encouraging citizen engagement.

Business and government are two sectors of society and civil society refers to the third.

Civil society typically works in the space not covered by the government and private sector. However, in developing countries civil society sometimes provides essential services which are normally delivered by government or the private sector, but which for some reason governments and businesses are failing to provide.

Associations and Civil Society

Associations and Life-long learning

Life-long learning is an essential part of today's fast-moving world. Advancements in sciences and techniques, constant innovation and the forces of disruption mean that professionals must be constantly keeping pace of new thinking, approaches and discoveries. For lack of that continuing education, people would quickly become "outdated" and "irrelevant" in a given specialist field. Associations provide a majority of the life-long training and education that is a fundamental need of professional communities.

A way to think of the importance of that role is to recognise that universities are fundamental to people acquiring the knowledge and skills needed to pursue a career. Once a person has graduated from university where does a person go for life-long learning? They join associations.

Once a person has graduated from university where does a person go for life-long learning? They join associations.

Associations as drivers of knowledge and creative economies

When exploring the economic transformation strategies and economic development plans of governments around the world, one common element is a focus on developing knowledge and creative industries. All countries traditionally focused on agriculture and manufacturing as economic foundations, but also sought growth of service industries to further boost economic activity. Now, most governments are very focused on growing their knowledge and creative service sectors as these are seen as the highest level of service enterprises and are underpinned by more sophisticated human capacities which drive higher wage rates, higher economic impact and broader economic diversification.

Associations are a critical component in building knowledge and creative economies.

Associations are a critical component in building knowledge and creative economies. They provide a platform for collaboration, innovation, knowledge advancement and research links. Without associations, professionals in a given community would be left without the life-long learning they need to grow and prosper professionally. They would have limited professional relationships and networks. The services they provide would be serving a smaller market and their profession's growth would be stymied. The resulting lack of robust activity and innovation would mean that investors would have little motivation to provide the capital needed to fuel business expansion.

In short, associations, like universities, are essential to the development of knowledge and creative economies.

Association Types and Missions

Table 4 – Association types and missions

<p>Trade Associations - Established and financed by businesses within an industry. Companies as members, representing the interest of an industry.</p>	<p>Professional Associations - Established to further a certain profession and the interests of those employed in that profession. Individuals as members, also commonly referred to as a "society."</p>	<p>Philanthropic Organisations - Give or receive support for humanitarian purposes. They can be charitable, scientific, educational, public service, cultural and religious organisations.</p>	<p>NGOs – Non-Government Organisations, they are cause and mission driven often working to improve human rights and social welfare. UN Sustainable Development Goals (UN SDGs) are a helpful reference for insights into the types of causes for which NGOs work.</p>
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Federation – A federation, commonly referred to as a "peak body" is essentially an association of associations. Associations that operate in a given field will often form a federation to further intra-industry dialogue, coordinate, pool resources and pursue joint aims. As an example, in the convention industry there is a federation called the Joint Meeting Industries Council (JMIC), a global federation that was formed by leading organisations such as ICCA, The International Association of Convention Centres (AIPC), the International Association of Professional Congress Organisers (IAPCO), the global association of the exhibition industry (UFI) and the Union of Internationals Associations (UIA.)

UN Sustainable Development Goals (UN SDGs) are a helpful reference for insights into the types of causes for which NGOs work.

Association Types and Missions

The following illustration shows these different types of associations and some of their key characteristics:

Table 5 - Association types and characteristics

ASSOCIATION TYPES	MEMBERS	CHARACTERISTICS
Trade	Companies	<ul style="list-style-type: none"> • Protect and promote mutual interests • Setting standards • Strengthen industry image • Unified voice on legislation affecting industry • Influence regulatory environment • Promoting business for industry
Professional	Individuals	<ul style="list-style-type: none"> • Scientific, medical, engineering, academic, etc. • Develop and manage professional certification • Authority to maintain oversight of the professional practice • Often referred to as "societies"
Philanthropic	Both	<ul style="list-style-type: none"> • Must demonstrate funding from public support rather than an individual source • Foundations can qualify for tax exemption • Foundations can be private or community based
NGOs	Both	<ul style="list-style-type: none"> • Organised independently from government • No government status • Influencing government policy, not making policy • Often to pursue a wider social aim
Federation	Associations in a given field	<ul style="list-style-type: none"> • Intra-industry dialogue • Collaboration • Synergistic industry promotion • Jointly funded initiatives

Source: GainingEdge, 2022

How Associations Operate

Mission and Activities

The ultimate goal of an association is to provide value to its members. This comes in many forms, often including:



Associations deliver these benefits by providing education and training programs, developing industry standards and holding meetings and conventions where members have an opportunity to learn and network. Many associations conduct useful research and track industry trends. They carry out communications programs on behalf of the industry and will often conduct lobbying efforts in their quest to influence government policies that may affect their industry.

The ultimate goal of an association is to provide value to its members.

Management

Associations are typically governed by a board that is elected by its members. They tend to evolve in terms of how they are managed. Newer or smaller associations are typically managed by volunteer leaders, meaning that the Chair is acting as the CEO and board members and committees are actually implementing its programs. As associations grow, and acquire the necessary financial resources, they tend to move towards "professional management" meaning that they are hiring people or firms to manage their operations. Often a first step towards professional management is to hire an Association Management Company (AMC) which may provide management services to a number of associations. The alternative is for associations to hire their own "in-house" staffs.

Resources

Most associations charge membership fees for people who join. They will also often charge fees for certain services, such as participating in annual meetings and purchasing studies, educational materials and valuable research materials. Many associations will also have corporate sponsors, companies which are selling goods and services to the association's members. For instance, medical equipment supply companies will be active sponsors for related medical associations as a way to elevate their profile and connections to their customer base. It is now common practice for associations to have trade shows as part of their annual meetings, and these events generate revenues from companies that pay to exhibit.

The Geography of Associations

Associations serve various sized communities, some are global, some regional and some are national. There can even be provincial and local associations.

Sometimes regional associations, those whose audience is limited to a continent or a region of the world, are formed in their own right or are affiliates of global associations. National associations only have members from a given country, but again are often affiliates of global or regional associations. Provincial and local associations typically are “chapters” of national associations.

Associations serve various sized communities, some are global, some are regional and some are national.

The following illustration provides examples of different types of associations that operate at different geographical levels:

Associations and Geographic Reach (Examples)

	TRADE	PROFESSIONAL	PHILANTHROPIC	NGOS
National				
Regional				
Global				

How Associations Choose a Convention Destination

Customer Motivations

When planning conventions, the ultimate goal is about having good meeting outcomes. This involves a range of issues, a key one being high levels of attendance and an efficient and well-run meeting. Also, good technical programs, such as educational sessions and technical tours that provide insights into new research and innovations are essential. Positive financial outcomes are paramount, as often the annual convention is the largest single income and expense item on an association's budget.

Ultimately, what associations want is happy convention delegates, who feel that attending the convention was beneficial and whose positive word of mouth help to promote the association's brand.

In assessing the customer motivations of a given convention, it's important to know who is actually making the destination decision. If it's the board or a site selection committee, the focus will be on stated criteria, specific wants and needs, a more businesslike approach. If the decision is being made by all of the members through a voting process, more personal issues will come into play – will the delegates who are voting feel that their own interests will be better served in one destination over another? When delegates choose the destination, the destination's appeal, for business or pleasure, will have an elevated importance.

Ultimately, what associations want is happy convention delegates, who feel that attending the convention was beneficial.

The Selection Process

Associations tend to plan annual conventions on a regular cycle, usually 3 or 4 years in advance. So, as an example, if an association is planning on a 3 year cycle, the meeting locations for its current year and the ensuing 2 years are already decided. Generally, the association in this instance will plan to announce the location where it is planning to hold its convention three years hence at the current year's annual convention.

Associations tend to plan annual conventions on a regular cycle, usually 3 or 4 years in advance.

To accomplish that, the association will have already established bid criteria, including the geographical requirements of the meeting. Many associations have pre-decided geographical rotation patterns, e.g. Europe one year, North America the next, other parts of the world next and then repeating that same pattern. So, for the next decision phase the association would already know what part of the world it was seeking bids from.

Other parts of the bid criteria would specify the number of hotel rooms needed, the size and type of meeting spaces and a range of other issues that the association would consider important, for example, cost, hosting responsibilities of the host community, etc.

How Associations Choose a Convention Destination

The association would issue a call for proposals and shortlist those that best fulfilled the bid criteria. Generally, the association would then send a small delegation to each of the short listed destinations on a "site inspection" so as to assess the destination's potential, strengths and weaknesses as the possible meeting location. The management and cost of the site inspection is generally born by the destination being considered.

Often, following this process, the association would have shortlisted the final candidates down to just a few, and those would be invited to submit a formal bid by a designated due date. The board or a committee of the association would review the bids and communicate any questions or advice to the bidders prior to a formal presentation by the destinations.

The actual bid presentation is usually by representatives of the bid committee, who are also future members of the host committee should they win the bid. Often convention bureaus are also involved in bid development and bid presentations. These presentations are usually scheduled in the early schedule of the association's annual meeting so that the winning destination can be determined and announced prior to the conclusion of the convention.

Bidding for Conventions

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What is a Bid?

Most international associations will issue a Request for Proposal (RFP) when deciding a destination in which to hold a future meeting. The response to the RFP is a proposal, which is also referred to as a "bid." Usually the bid is produced by a convention bureau while working with "local contacts" i.e. local professionals who are affiliated with the association and who are supporting the bid process. In most cases, if the bid is successful, the local contact then will become the "local host" helping to make preparations for the meeting and delivering host functions while the meeting is actually occurring.

Usually the bid is produced by a convention bureau

Bids can also be prepared by convention centres, Professional Congress Organisers (PCOs) or local host organisations, such as national chapters or local members of the association or even universities or government agencies.

The bid usually takes the form of a "bid document" also known as a "bid book" which is prepared to respond to the association's "bid criteria." The document will provide all necessary information on what the destination offers in relation to the meeting's needs along with a "business case" for why the destination would be the association's right choice.

So, a bid is essentially a proposal to host an association meeting. In most instances the bid will be competing with other bids from other destinations. The association will receive all of the bids, evaluate them and conduct a process to decide which bid to accept.

Decision Makers and Influencers

Who Decides?

In most associations, the ultimate decision on where to host a meeting will fall on a group of members charged with that responsibility. That would often take the form of a "site selection committee" and/or the board of directors. In some cases, the decision is made through a vote of the members, usually taken during an annual convention preceding by some number of years the meeting for which the decision is being made. This vote by members is often referred to as a "floor vote." While there are variations in approach, most would be decided in one of these ways.

The Majority Rules

Given that the decision is usually made by a group of people, it's important to note that votes are cast for all finalist destinations, and whichever destination receives a majority of the votes will win the bid. Understanding that, and identifying the list of decision makers is a fundamental part of effective bidding. If a 9 member board is deciding where to hold a meeting then a destination will likely need 5 votes to win. Destinations that are effective at bidding will usually "count votes" and do everything possible to build up a majority of votes in their favour.

Whichever destination receives a majority of votes will win the bid

Making the Cut

Regardless of who is making the final decision, there is usually a process in place to shortlist the preferred destinations. This means that the decision makers will ultimately be choosing from among a small group of final contenders. Again, this short list is usually compiled by a group of people and their recommendations are then passed along to the decision making body.

So, again, it's important to know what people will be involved in the recommendation of a shortlist. Anyone involved in this part of the process that is not a final decision maker is essentially an "influencer." However, the list of influencers will run much deeper.

Various people will play a role in the bid decision making process. They could be doing everything from initially recommending a destination for consideration, to pre-qualifying bids in terms of which destinations are able to meet the needs of the meeting, to actually helping to determine the shortlist. Moreover, the people involved in those early stages of the bid process will form their own opinions and likely share them with the ultimate decision makers. And even people who aren't part of the formal process may be sharing their opinions on which would be the best destination.

The list of influencers can involve consultants, association management companies, core PCOs, prominent members, key staff, sponsors and business partners.

Decision Makers and Influencers

Table 6 – Bid Decision makers and influencers

DECISION-MAKERS:	DECISION-INFLUENCERS (includes all decision-makers plus the following):
Single volunteer leader (e.g. President; Chairman)	Hired consultants
Single association executive (e.g. CEO; Secretary General)	Core PCO
Full Board of Directors	Association Management Company
Executive Board	Sponsors
Congress Committee (either a formal grouping or set-up ad hoc to make a particular decision)	Business partners
Representatives of association sub-groups (or in the case of a federation, the constituent organisations' nominated representatives)	Association staff (especially meetings department)
National representatives	Past members of Board of Directors
Official delegates at General Assembly	Members who have recently hosted the association meeting
All members (e.g. via online referendum)	Respected senior figures related to the association Association leaders from other international associations with similar size/profile of events (many association executives trust the views and experience of their peers with regard to recently used destinations/venues)
	Politicians
	Celebrities
	News media (negative stories especially relating to security issues can have a big influence)
	Other decision-influencers such as family, relatives, friends

Source: ICCA Whitepaper, "International Association Meetings: Bidding and Decision-Making" – Nov 2019

Winning Bids

Again, ultimately winning a bid is about getting the most votes. Getting the most votes isn't always about offering the best solution for the meeting, but it is about offering a good solution and convincing a majority of the voters to support your destination. Doing that requires development of a "bid strategy," knowing the voters, what they care about and presenting a bid that will tick all the right boxes. Knowledge is power, and if you know more than your competitors about what the decision makers want, you have an opportunity to make your bid more compelling than your competition.

If you know more than your competitors about what the decision makers want, you have an opportunity to make your bid more compelling

Decision Makers and Influencers

Compiling the knowledge it takes to win bids involves a lot of research and detective work. A key part of the bid process is to develop a “bid brief” which outlines all of the important things to know about a given bid. A bid brief should include all important background information about the association and all of the key meeting requirements that it has listed in its “bid specifications” also known as a “bid manual.” An association will usually describe its formal bid criteria and the required information that the bidding destinations need to include in their proposals. That would usually include things like information on air access, proposed meeting facilities, the hotels that would be providing accommodation and other things that are deemed important. Those could include things like a proposed “technical program” (the formal working part of a convention) and/or a proposed “social program” the networking, banqueting and touring part of the program.

Compiling the knowledge it takes to win bids involves a lot of research and detective work

Gathering inside information can be key to developing a winning bid

It is important to understand that the “official” requirements of the meeting may not include all of the important things that decision makers care about. The official criteria is what the association leaders collectively care about. The “unofficial” criteria are things that could influence the votes of individual decision makers because of their own particular wants, needs or interests. An example might be a decision maker who is very interested in having the convention leave a lasting positive impact, or “legacy” in the destination. Another would be a decision maker who is especially interested in arts and culture. Perhaps the official criteria doesn’t address legacy issues or require any ideas about integrating arts and culture into the proposed program. However, the destinations that address such issues in their bids, even though they are not required to do so, may be picking up extra votes.

So, research and even gathering “inside information” can be key to developing a winning bid. Sources of this kind of information can come from many sources, like key players in prior host destinations (the bureau, venue, professional congress organiser or local host), desk research, social media and especially from key influencers that you may be in contact with. A prime example are your own local contacts, the person or group you may be working with who are involved in the association and who are supporting the bid efforts and agreeing to serve as a host committee if the bid is successful. These local contacts can often provide you with “bid intelligence” as well as connect you with key influencers that they would know. Ultimately, these contacts can help you gain inside information, including when it comes time for you to begin counting votes.

The three most important words in winning bids are “knowledge,” “quality” and “influence.”

The three most important words in winning bids are “knowledge,” “quality” and “influence.” **Knowledge** - what do you know that your competitors don’t know and which you can use to your advantage. **Quality** - making sure that you are being strategic and putting up a very professional and compelling business case for why your destination is the best solution possible. Why your destination? And, **influence** – how do you and the important contacts you develop promote your bid and not only make it a finalist, but get the votes you need to win.

The Bid Process (from leads to “wins”)

Finding Opportunities

The most proactive destinations will usually have key industry leaders who are actively searching for meetings on which to bid. These usually include convention bureaus, convention venues and Professional Congress Organisers (PCOs).

These organisations would have active sales and marketing processes including leads development – finding potential meetings suitable for the destination and for which the destination could bid.

In addition, often associations will call for proposals, sometimes referred to as “RFPs” (requests for proposals.) Those calls would sometimes be sent to a pre-selected list of preferred destinations or could be open calls, meaning they make the opportunity to bid known publicly to see what destinations may be interested.

Often associations will call for proposals, sometimes referred to as RFPs

Often the first step is for a destination to submit an “EOI” (Expression of Interest) in bidding for the meeting, along with basic information about the destination’s capabilities. The association will then conduct a qualification process, deciding which destinations would be suited to its needs. At that point, the association would inform the qualified candidates and send them the information they would need to submit a formal bid.

Figure 9 – Typical contents of a bid document



Source: GainingEdge, 2022

Preparing Bids

The bidding destinations would then begin to develop the bid, usually with a convention bureau leading the process. A bid committee is formed, which would include key local contacts and other local stakeholders. All of the necessary elements of the bid are assembled, usually in the form of a “bid book” or a document to be sent to the association.

The Bid Process (from leads to “wins”)

Evaluation Process

The association would review all bids and decide a short list of those that are deemed to be the preferred contenders. At this point, preparations would begin for a series of “site inspections” to those destinations. A site inspection is usually 1 – 3 representatives of the association visiting the destination, touring the proposed facilities and having discussions with the bidders to clarify any issues relating to what the association wants or what the destination is offering.

Typically, the bidders would then send in a final revised bid proposal based on the information gained on the site inspection. The association would then decide a list of “finalist” destinations, the ones that decision makers will be asked to choose between.

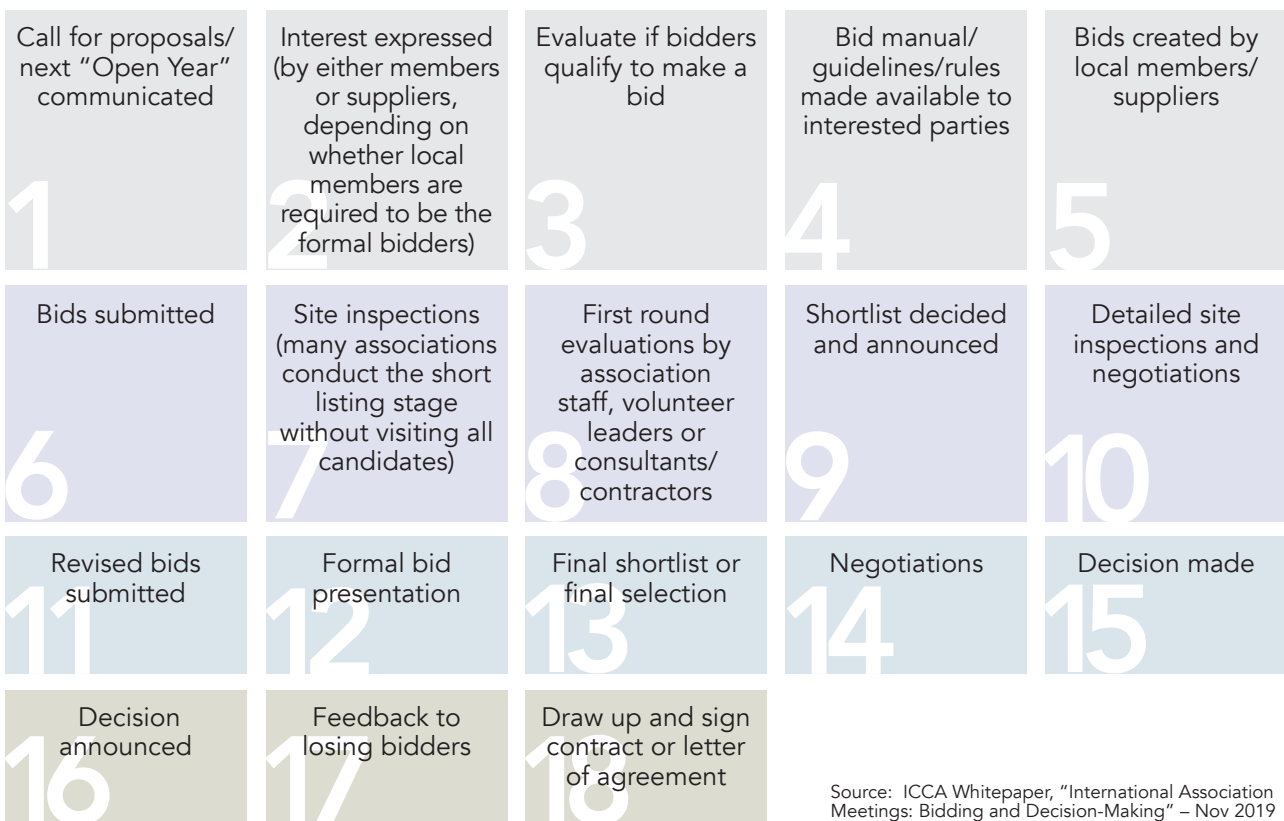
Bid Presentations

Next, in most cases, the association will schedule a time for all of the finalists to make a formal live bid presentation before whichever group is making the final decision. These presentations generally occur at a time scheduled during the association’s next scheduled annual convention.

The bidders are usually afforded a set amount of time, typically 8 – 10 minutes, to formally present their bids. Once all candidate destinations have presented their bids, a decision is made and the bidders are informed accordingly.

The association will schedule a time for all of the finalists to make a formal live bid presentation

Figure 10 - Steps in a typical bid process



Source: ICCA Whitepaper, “International Association Meetings: Bidding and Decision-Making” – Nov 2019

The Role of Destination Suppliers and Stakeholders

Meeting Industry Suppliers

Essentially, a convention bid is a coordinated product offer on behalf of all meetings industry suppliers in a destination. Convention centres and hotels agree to put a tentative “hold” on their facilities during the proposed dates of the meeting. This means centres agreeing not to take any other offers for the necessary space commitment and hotels holding back blocks of rooms until the bid is decided one way or the other. Alternate function venues will often be participating and holding space for banquets or other social programs.

Essentially, a convention bid is a coordinated product offer on behalf of all meetings industry suppliers in a destination

Airlines may be engaged to provide special fares, sometimes in the role as “official airline.” Often a PCO will be involved in general, but most specifically in preparing a budget for the meeting. Since many destinations have more than one PCO, there is usually a mechanism for engaging the different PCOs in different bids, but all with the understanding that ultimately the choice of PCO will be up to the association meeting planners if the bid is successful.

Most other industry suppliers - transport companies, DMCs (Destination Management Companies), EMCs (Event Management Companies), attractions and a wide range of other meetings support companies - would be listed in the bid to demonstrate the destination’s broad service capacity.

Community Stakeholders

The core community stakeholders are the professionals working in the field to which the convention relates. This would include members of any affiliated association (e.g. the national chapter of the international association planning the meeting.) But, it would also include a broader group of related professionals, researchers, investors and entrepreneurs. It would also include companies that buy or sell supply within that field.

These stakeholders have an important role as a local audience to the meeting, which translates into attendance, i.e. adding to the numbers of delegates. They may also feature as speakers or as hosts of “technical tours” – for example an opportunity for delegates to visit a research laboratory to gain insights on a unique scientific method. The private sector stakeholders are potential meeting sponsors or exhibitors.

The Role of Destination Suppliers and Stakeholders

The government is a key stakeholder, because every convention has the possibility of providing positive impacts in areas that are key to government goals and policies. Conventions help to stimulate local capacity building, industry development and community development. The investors that attend can discover opportunities to finance projects within the community. Foreign attendees can learn about employment opportunities and provide a new source of talent.

Specific government ministries are key stakeholders since all conventions would relate to the work of at least one given ministry.

Finally, the community at large is a stakeholder. If a medical convention helps to improve health outcomes, everyone benefits. If a scientific convention helps to boost the knowledge economy, everyone benefits. If a social sciences convention helps to improve the environment or quality of life, everyone benefits. Increasingly associations are looking for ways to involve local communities in their events. Promoting this engagement and developing a wide array of community stakeholders helps to strengthen bids and also to heighten public interest and thus public sector support.

**Developing
a wide array
of community
stakeholders
helps to
strengthen bids**

Destination Supply Chain

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- 43 **Hotels and Convention Centres**
- 46 **Convention Management Companies**
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Transport Access

Before a convention can be planned in a destination it has to be possible for the delegates to get there. So, transport access is a key part of the local supply chain. It is essentially a local terminus of a national, regional or global supply chain. So, for global and regional meetings an airport is part of the local supply chain. For national and close-in regional meetings train and bus terminals can be part of the local supply chain.

It's important to assess a destination in terms of transport access to determine what kinds of meetings the destination can seek to successfully serve.

Global Meetings

Destinations that have international hub airports are well suited to global meetings, depending on the number and variety of direct connections. If an airport has direct service from international hubs in many other parts of the world the destination can be successful with global meetings, because delegates can easily get there from different parts of the world. A way to think about this is how many connections will delegates need? If they live in an international hub, they can maybe fly non-stop. If they live within one flight of an international hub, they can make the trip with one-stop. From one hub to another most delegates can fly with one or at most two connecting flights.

Regional Meetings

Once a majority of delegates would need more than two connections, destinations begin looking less appealing for global meetings. So, a destination that is mostly served by flights from its own region of the world will have limited hub connectivity and will therefore be more successful in hosting regional meetings. These are meetings with delegates from many countries, but mostly from countries in their own part of the world.

Once a majority of delegates would need more than two connections, destinations begin looking less appealing for global meetings.

National Meetings

A destination that has limited non-stop or direct service from all over a region and limited connections from a major hub will be more suited to national meetings. Rail, bus and self-drive access is the key for domestic delegates attending national meetings or who are attending a regional or global meeting that is being hosted within their own country.

The more convenient the entire travel experience, the more attractive the destination.

Airport Transfers

Access to the destination from its airport is another consideration. The closer and less time consuming the transfer, the more appealing the destination. This is because the airport transfer is essentially another "connection" that delegates need to make. The more convenient the entire travel experience, the more attractive the destination. Many successful global destinations have airport transfers that take an hour or so. But, the extent to which transfers go longer than that is the extent to which the destination begins looking less appealing as a place to hold a meeting.

Hotels and Convention Centres

When considering hosting conventions, the fundamental first step is to assess a destination's capacity. What sizes of groups can be effectively accommodated? There is no point in trying to secure conventions that exceed a destination's capacity. Most of the time such bids are not successful, because the meeting planners will determine that your destination can't meet their needs. In rare instances where a destination is successful at securing an event that it can't adequately manage, the truth comes out, the meeting has problems and the destination's brand and reputation is damaged. Seek only to host conventions that your destination can service well.

Seek only to host conventions that your destination can service well.

Accommodation Capacity

A good way to think about hotel capacity for conventions is to start with an inventory of all 3 – 5 star hotels that are within a reasonable distance of the main convention venue. Once you've added the total number of rooms together, the rule of thumb is to divide that in half in terms of the numbers of rooms that are likely "committable" to a convention. This is because hotels tend not to commit all of their rooms to a meeting because they have other customers that they need to serve, such as regular business customers, rooms that may be under corporate contract and other regular guests.

Hotels also do "yield management" which means that they are trying to maximise their profits by managing their room inventory in a way that maintains the highest average occupancy and highest average rates. Hotels use a simple metric for this called "REVPAR" which is revenue per available room. If you multiply occupancy by rate you have REVPAR (E.g. for a given night if a hotel has 100 rooms, a 70% occupancy and the average rate that the rooms sold for was \$100 then the REVPAR would be 70% of \$100, or \$70. Calculated another way, 70 rooms sold at \$100 for total sales of \$7,000 divided by 100 rooms.) REVPAR can be calculated on a daily, weekly, monthly or annual basis. But the point is that hotels are seeking to maximise REVPAR and they do that through yield management – adjusting rates for different time periods based on the "scarcity" of their rooms available and the likelihood that they will be able to sell them at higher rates.

If a hotel knows that it can fill half its rooms for a given 3 or 4 day period by providing a "room block" to a convention, sometimes years in advance, it knows it only has to sell the other 50%. So, it will seek to do that at a higher rate than the rate being charged the convention. Selling rooms to FITs (free independent travellers) and business travellers are a good way to do this. With this approach they maximise their REVPAR.

A destination that has a total of 4,000 hotel rooms would actually have a capacity of 2,000 rooms that would be committable to a convention.

Certainly, seasonality and other factors affect a hotels willingness to commit rooms. They may commit more in a low season and less in a high season, for instance.

So, applying the 50% rule of thumb, a destination that has a total of 4,000 hotel rooms would actually have a capacity of 2,000 rooms that would be committable to a convention. This would be for what is termed a "citywide" convention – one that is of a size that means by necessity it will have to use a range of hotels across the city to assemble an adequate room block.

Hotels and Convention Centres

Most conventions are not of that scale. In fact, based on the ICCA Statistics 2020 report, 76% of all conventions are for 500 or fewer people. Smaller groups prefer to minimise the number of hotels that are being used and to have the hotels be within walking distance to a convention centre, as both of these factors lead to simple logistics. So, a destination should assess its capacity in terms of a strong offering, how many rooms are within walking distance, or a short distance, from the major venue. If a destination has 1,000 such rooms, then approximately 500 are committable and that means the destination can accommodate most of the conventions that they are likely to identify as prospects.

Venue Capacity

There are three main types of venues that are used by conventions – purpose-built convention centres, hotels with conferencing facilities and universities that are able to offer housing in dormitories or in dedicated conference centres. For all, their “sweet spot” for capacity relates to what group size they can accommodate with a mix of plenary, meeting, banquet and exhibition space.

The key issue on capacity is that a convention usually needs separate and distinct spaces for each of these purposes. Often, for example, they will be having a plenary (aka “general session”) in a theatre or in a multi-use space, and then they will immediately go to another activity such as break-out meetings, a meal function or an exhibition. So, those required spaces must be available separately from the plenary space.

In some instances, there is time to reconfigure a multi-use space for other purposes, it depends on the convention. For example, if there’s a plenary in a space in the morning and then other activities happening in other parts of the building before lunch or dinner, there can be time to reconfigure the space for a meal function. But, in general, there are four possible uses of space and an exhibition space can’t be reconfigured for other uses. So, it’s useful to think in terms of needing 3 distinct spaces (at least) that can accommodate the number of delegates attending a convention. This assumes that 1 of the spaces can be altered for use between plenary, banquet and meeting space.

Many venues will say that they can accommodate 3,000 people events because they have a multi-use space that can accommodate 3,000 people for a given purpose. This isn’t really true. For one thing, a rule-of-thumb is that you need, at a minimum, 1 break-out meeting room for every 100 delegates. So, a 3,000 convention is going to need at least 30 break-out rooms. They will also need banquet facilities for up to 3,000 people and some amount of exhibition space (moderate for most conventions.) So, unless a venue has TWO spaces for 3,000 people (plenary and banquet), 30 meeting rooms and some additional exhibition space, in most instances it cannot accommodate a 3,000 person convention.

Hotels and Convention Centres

It is also important to understand that part of the functionality of a large convention centre is about its capacity to host two or more events simultaneously. Since most conventions are under 500 people, it is far more likely that there can be two smaller groups in at a given time than one capacity filling group. For this to happen, the convention centre must be configurable for multiple group use. This means things like separate entrances, separable circulation space, and separate plenary, banqueting, meeting and exhibition spaces.

Generally conference hotels and universities are best equipped to manage one convention at a time, and generally those of a smaller size.

Generally conference hotels and universities are best equipped to manage one convention at a time, and generally those of a smaller size.

Overall, a destination's group capacity is a mix of these factors. For instance, in a destination where a convention centre can accommodate 2,000 but hotels can only accommodate 1,000, that destination's capacity is 1,000. Why would a convention centre want more capacity than can be serviced by hotels? Because its other space can be used for other purposes, such as local concerts, local business meetings, local banquets and local expos.

Part of the functionality of a large convention centre is about its capacity to host two or more events simultaneously.

Convention Management Companies

Once a convention has chosen a destination it will begin seeking to engage with local convention management companies. These can help in planning and pre-event activities and then in helping the event to run smoothly once the delegates start arriving.

PCOs are one of the most important suppliers in a destination.

Professional Congress Organisers

These companies are also known as PCOs and are one of the most important suppliers in a destination. They have a wide range of services including:

- Helping to secure and negotiate **hotel and venue contracts**
- Managing development of the **technical programme** (i.e. calling for “abstracts” – where people and companies provide proposals for presentations to be delivered at the event – and helping to formulate the education sessions and plan “technical tours” – where delegates may visit a research laboratory or other place related to their field of endeavour.
- Managing development of **social programmes** (banquets, coffee breaks, lunches, and off-site events)
- Providing or subcontracting for DMC services (discussed below)
- Providing or subcontracting registration services
- Managing sub-contracts for other event services (discussed below)

A DMC will manage ground transportation

Destination Management Companies

These companies are also known as DMCs and are also a key service provider to conventions. A DMC will manage ground transportation (airport transfers and transportation between hotels and the convention centre, or between the convention centre and off-site functions.) They also help to organise the touring parts of a convention, such as technical tours, accompanying persons tours and Pre & Post tours. DMCs are often the inbound operators for incentive groups as well.

Event Management Companies

Often subcontracted by PCOs that are managing social functions, an “EMC” will develop and manage the creative elements, such as theme decorations, staging and entertainment. These might be at the major venue or at off-site functions.

Professional Exhibition Organisers

Also referred to as PEOs (or Exhibition Management Companies) these companies help to produce the exhibitions that may be happening as part of a convention. Most conventions will have at least a small exhibition given that the delegates to a convention are often buyers of goods and services within the industry that they operate. So, sellers of the goods and services are naturally attracted to promote themselves at conventions. The convention can charge them fees to exhibit and/or provide sponsorship, which is a good revenue source to help underwrite the costs of the convention.

PEOs will help to promote the exhibition and secure exhibitors. They will also provide stand-building services, stand furniture and equipment, hall set-up, etc.

Destination Suppliers

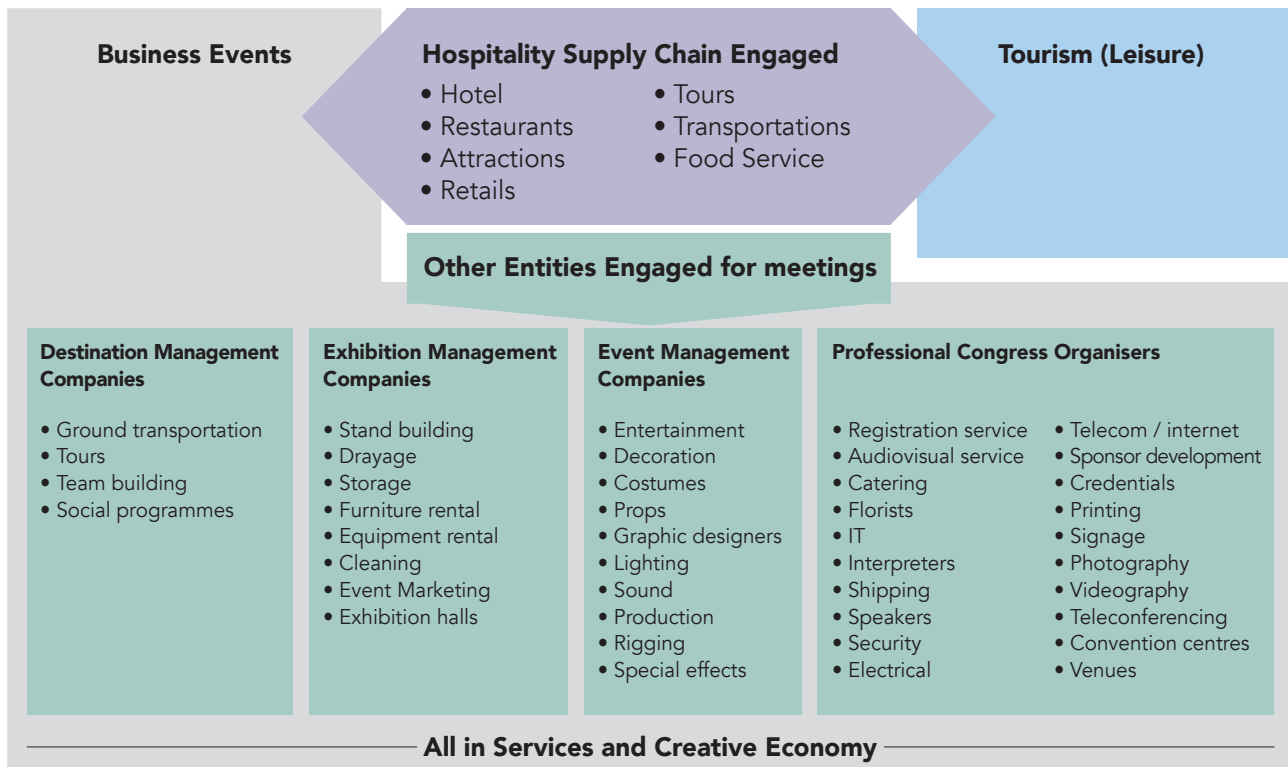
There is a range and depth of convention service providers in a destination. As the illustration below shows, they range from florists to technical suppliers, logistics companies to interpreters. This illustration is indicative, actually the range of services can be significantly larger.

Usually these services are all “aggregated” by the convention management companies. A convention doesn’t want to have to write too many contracts and deal with too many contractors, so one of the important services provided by the conference management companies is to manage all of the sub-contractors that are providing services to the convention.

As indicated by the illustration, conventions do create a lot of business for various types of SMEs, and have a much more diverse local supply chain than does the tourism industry. Many of these suppliers are also in creative and knowledge industries, thus conventions are helping to stimulate those at a “consumer” level, as well as at the “knowledge and network building” level.

Conventions do create a lot of business for various types of SMEs

Figure 11 – Mapping the supply chain engagement for business events and leisure tourism



Convention Bureaus

Certainly any successful destination will have a convention bureau as part of its local supply chain. To the association customers, the bureau is the gateway to the supply chain, often assisting them to locate local service providers. As the organisation that is bidding for conventions and assisting meeting planners, a bureau is also a part of the destination's distribution channel – a promotional agent for all local supplier services.

Once a convention is secured for a destination, a convention bureau may continue to provide general advice and assistance to the meeting planners. But, usually the meeting planners will seek out a PCO and other convention service providers to actually help in organising the event.

A key role for a convention bureau is to provide capacity building leadership in a destination.

A key role for a convention bureau is to provide capacity building leadership in a destination. Strengthening the supply chain, whether that be in terms of encouraging infrastructure improvements or in providing training to service providers is all part of destination development. Constantly improving the product offer is a key to sustainable destination growth and development.

Convention Bureaus

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What is a Convention Bureau?

A convention bureau is a sales and marketing organisation, or department of a sales and marketing organisation, with a core function to attract conventions to a country or to a city destination.

Bureaus come in all shapes and sizes. Some promote cities and some have a national remit.

Bureaus come in all shapes and sizes. Some promote cities and some have a national remit. Some are independently incorporated bodies and some are departments of Local Tourism Organisations (LTOs), Provincial Tourism Organisations (PTOs) or National Tourism Organisations (NTOs.) Their budgets and staff deployments can be small or large.

Provincial Bureaus

The first bureaus established in Africa were both in South Africa - the Cape Town and Western Cape bureau and the Durban Kwa Zulu-Natal bureau. While most of the conventions coming to these provinces are held in the capital cities, these bureaus are also working to develop meetings business for other parts of their provinces.

National Bureaus

Africa's first national bureau was the South Africa National Convention Bureau (SANCB) which was established in 2012. Since that time national bureaus have formed (or are in the process of being established) in other countries such as Rwanda, Zimbabwe, Tanzania, Kenya and Ethiopia. Again, many African countries would say that they have convention bureaus, but in many those would be small departments of NTOs. A good way to test if a country has a national convention bureau is to conduct a web search with the words "[country] convention bureau." If a country has a bureau, a website

If a country has a bureau, a website specifically for the bureau will appear high in internet search results.

specifically for the bureau will appear high in internet search results.

City Bureaus

It may be possible that there are city bureaus somewhere in Africa, but none yet that are members of ICCA. However, city bureaus are common in all other parts of the world. Given that meeting planners think primarily of cities when deciding convention destinations, it is reasonable to assume that as African nations become more proactive and adept at building their convention business, city bureaus will proliferate.



How Bureaus Operate

Corporate Models

Globally, there are varied approaches to how bureaus are established:

- **Government Departments** – All bureaus in Africa are departments within ministries or tourism organisations. This approach is also common in Asia and some countries in Europe. These bureaus tend to be fully government funded. They are managed by government department heads or ministerial staff. Often they have advisory boards which would include private industry representatives. In some instances, the bureau would have a separate advisory board from the tourism organisation's advisory board.
- **Government Authorities** – In some cases, governments will establish bureaus as independent authorities. Again, they would be primarily funded by government but allowed to operate autonomously. The Malaysian Convention and Exhibition Bureau is an example of an authority. In most cases, the Managing Director of an authority would be appointed by a board which is designated by the enabling legislation. Usually, these board members would be appointed by the relevant ministry.
- **Private not-for-profits** – Most bureaus in North America and Australia are privately incorporated entities. While deriving most of their funding from government services contracts, these bureaus are typically membership organisations - technically they are "owned" by their members - and operate independently of government. This is similar to an "association model" so these bureaus are essentially sales and marketing associations.

These bureaus will most likely supplement their government funding with funds derived from the private sector in the form of member subscriptions, fees for services, participation fees, advertising sales, etc. North America is relatively unique in that most of the funds for bureaus there are provided through dedicated portions of hotel tax proceeds. This is referred to as a "hypothecated tax" whereby the enabling legislation stipulates that some or all of the tax collected will be used for promotion. Then the governments collecting the tax will almost always contract with their respective bureaus to receive the resulting promotional funds and provide the sales and marketing services. Another common dedicated use of hotel rooms tax proceeds in North America is for financing bond debt on convention centre construction.

The governance in the case of privately incorporated bureaus would be by a board of directors which would be elected by the members. The board would appoint the CEO.

How Bureaus Operate

Operating Principles

Following are common approaches that are key to successful bureau operations:

- Non-commercial and unbiased** – the universal “golden rule” for convention bureaus is that they offer objective advice to customers and do not favour one supplier over another. Bureaus focus their full attention on the welfare of their clients and stakeholders. Their services are free to meeting organisers because their purpose is not to make money but rather to promote the growth and success of the destination they serve. Bureaus must be even-handed in how they deal with local service suppliers, who are often forming part of their “member” or “partner” community. Successful bureaus depend on strong support from their local stakeholders and any bureau that showed commercial favouritism to specific suppliers would be destined to lose trust and support in the broader community.

The universal “golden rule” for convention bureaus is that they offer objective advice to customers and do not favour one supplier over another.
- Agility** – Key to success in securing conventions is an ability to respond quickly to opportunities, changing market needs and customer demands. As an example, it is not uncommon for a bureau to gain a bid opportunity that has a very near-term window for response. That response often requires a commitment of budget and/or resources. A bureau that can act quickly can take advantage of market opportunities while one that is less agile will often lose them. For this reason, bureaus that operate independently, or at least with delegated budget and approval authority have an advantage over ones that must follow time-consuming government procedures and approval processes. For any sales and marketing organisation there is a question of efficiency here. Time and resources spent on government processes are time and resources that could be devoted to market activities.

A bureau that can act quickly can take advantage of market opportunities while one that is less agile will often lose them.
- Coordination** – As discussed bureaus exist at different levels. Increasingly Africa will have national as well as provincial and local bureaus – all in the same country. This vertical integration of marketing effort is very healthy as it represents a natural supply chain for meeting planners seeking destinations and a natural distribution channel through which destination suppliers can access regional and global markets. The key to effective coordination is a clear delineation of roles. In Africa’s case this will mostly be the roles shared by national and local (or provincial) bureaus. Since the customer is usually seeking bids from a specific destination, the bidding process is usually considered the role of the local bureaus. However, national bureaus can add great value to the process, by helping local bureaus find bid opportunities, coordinating cooperative marketing efforts between destinations (e.g. national stands at trade shows) and helping to generate interest in local destinations through national promotion and brand building in the international marketplace.

A destination that has a mature, unified and efficient supplier community has an enormous competitive advantage over one that doesn’t.

How Bureaus Operate

- **Collaboration** – Just as local and national bureaus must collaborate to maximise their opportunities, so must individual meeting suppliers at a destination level. Stated simply, a destination that has a mature, unified and efficient supplier community has an enormous competitive advantage over one that doesn't. Customers want organised destinations. The suppliers organise themselves into an effective market approach through their bureau. This basic principle is sometimes referred to as "coopetition." Cooperate first to grow the pie, then compete later to get your piece. Supplier communities who fail to collaborate and instead fight over existing business will never do as well as the ones working together to grow the total amount of business. If a supplier is good at what they do, they will have the confidence to work with their competitors to grow the pie, because they'll get their fair share of a larger amount of business.

Structure & Functionality

Given their similar mandates, there are strong similarities between bureaus in the way that they are structured. A useful way to think about functionality is to consider "operating cost ratios." What percentage of a bureau's budget should be devoted to programming (e.g. sales and marketing activities) vs. staffing and overheads.

The best resourced bureaus in the world are North American bureaus because of their revenue streams through dedicated rooms taxes. There are many bureaus there with annual operating budgets of \$20 M USD or more. If you were to combine all of their budgets and then analyse their cost ratios, you would find that they are operating at around the 12 – 15% mark on operating overheads. On the rest, bureaus will vary, but staff budgets can often be as high as program budgets. Lower budgeted bureaus will, of necessity, devote a greater proportion to staff, while higher budgets can maintain adequate work forces while boosting program spending.

Bureaus can't win business without sales teams and the size of the sales team will determine how much business is possible.

Keep in mind that most North American bureaus are city bureaus, meaning they are in the business of sales and bidding for conventions. Sales and bidding are highly people-intensive processes. Securing conventions is a very TACTICAL exercise, targeting decision makers, communicating with them, pulling together bid proposals and coordinating participating suppliers. So, it is arguable that the largest part of a limited budget needs to be applied to the people who are making all of that happen.

GainingEdge has advised bureaus all over the world on their budget allocations and staff deployment. The first question is always, "how much convention business do you want?" Then the answer is to apply a ratio between that goal and the number of sales people required. Bureaus can't win business without sales teams and the size of the sales team will determine how much business is possible because a given person can only bid on so many conventions a year because of the total amount of effort and the total range of activities required to do so.

Destination Sales and Marketing

Building Awareness and Positive Perceptions

Destination marketing is a process designed to stimulate interest in a city or country as a meeting place. Marketing won't secure conventions, but marketing can enhance the success of the sales process by pre-disposing potential customers to consider the destination's offer.

A good example in Africa would be Kigali. Rwanda established a national bureau a few years ago and Kigali would be the major meeting destination there. However, Rwanda had not historically mounted a concerted effort for conventions in the international marketplace. South Africa on the other hand has been active in the market for years and when decision makers in places like Europe think of possible African destinations

Destination marketing activities start with establishing a strong meeting brand.

there is a high awareness and positive brand perception for places like Cape Town, Durban and Johannesburg. So Rwanda has a real opportunity to educate the market about Kigali and its qualities as a destination. Through extensive marketing Rwanda and Kigali are achieving more awareness, improving perceptions and increasing their chances of being considered when customers are making destination decisions.

Destination marketing activities start with establishing a strong meeting brand. It's important to understand that most tourism brands will not resonate with meeting decision makers. That's because tourism brands tend to emphasise adventure, fun, excitement, etc. Meetings planners are not thinking in terms of good tourist destinations. They are thinking about destinations that can deliver strong meeting outcomes, such as quality hotels and facilities, good access, easy logistics and knowledge sharing offerings related to local innovation in their professional, scientific or business areas of interest.

Once a strong business events brand message is created, marketing is about "brand activation" or getting the destination's message out into the marketplace. This is done by building the communication programme around the brand, through development of a business events specific website, media relations, promotional videos, print and electronic media, exhibition stand displays, and sometimes advertising. Any advertising has to be highly focused on media channels viewed by meetings decision makers. Convention sales is a B2B activity, unlike tourism which is more B2C. So while advertising tends to be a big part of a tourism promotion budget, for convention sales it is a more modest focus.

A fundamental tool for both sales and marketing is what is commonly termed a "Meeting Planner's Guide." This is essentially a destination's product manual. The Planners Guide and the website should be developed in tandem.

Destination Sales and Marketing

Proactive Sales is the Key to Business

Conventions don't come to a destination because it has a positive tourism image or because it has quality hotels and convention venues. Conventions come because the destination put forward a winning bid to host them. This is about direct selling, not broadcast marketing.

The most successful destinations operate "bid factories." By that we mean that they have teams of people who are constantly identifying possible conventions on which to bid and then constantly developing bids. Effective bidding requires tailored bids for each prospect, and that requires market research, securing local host support, coordinating with local hotels and venues to build the bid offer, proposing possible social and technical programmes and building a strong business case for why the destination is the right choice for the association.

Leading destinations have bureaus that are proactively finding and conducting bid processes. Some bureaus are more reactive. They only support bid processes commenced by others who come to them for help. This is not really active bidding. It's bid support. Those destinations inevitably conduct fewer bids and thus win less business.

The most successful destinations operate "bid factories."

Convention sales activities involve both local and in-market activities. Locally based efforts would include research and connecting with local universities and leading professionals who might support a bid. In-market includes exhibiting at meetings trade shows and conducting sales missions in key markets.

Convention Bureau Services

In a way, bureaus have many customers. The convention planners are customers, but so are their local meeting supplier partners who depend on their bureaus to attract conventions and then help them connect to the meeting planners. Governments and the broader community are customers because the work that bureaus do supports government social and economic goals and policies.

In addition to promoting the destination and securing conventions, bureaus are helping to produce business for local supplier partners.

Destination Facing Services

In addition to promoting the destination and securing conventions, bureaus are helping to produce business for local supplier partners. They do this by listing qualified suppliers in their marketing materials, by providing them with business leads and by bringing them in on bid processes. Often bureaus are also providing marketing opportunities, such as participation on trade show stands and in familiarisation tours and site inspections.

Market Facing Services

All bureaus are essentially information resources to potential meeting customers. Once a bid process is underway, bureaus are providing client services in the form of bid proposals, and if shortlisted, site inspections and general advice and support. Once a convention chooses a destination, bureaus often help the clients to source local supplier support until such time as the convention appoints a Professional Congress Organiser (PCO) and then the PCO takes over most of the client support functions.

Destination Management

One much talked about trend is that in successful destinations bureaus aren't just destination marketers they are also destination managers. A DMO is a destination marketing organisation. Now the term DMMO is in use, a destination marketing and management organisation.

Destination management is about strengthening and developing the destination so that it can prosper in the convention market. Examples of destination management activities are:

Product Development

Product enhancements are an important part of promotional efforts. Examples of product development work that bureaus have done include:

- Filling service product gaps, e.g. encouraging tour companies to develop PCO and DMC services
- Encouraging more venues and attractions to develop unique function spaces
- Creative development of delegate experiences
- Guiding businesses to work together to develop interesting retail, dining, arts and cultural precincts
- Developing walking trails
- Curating interpretive information and services

Destination management is about strengthening and developing the destination so that it can prosper in the convention market.

Capacity Building

Capacity building takes two forms, structural and human. Through destination development planning efforts bureaus can help build business cases for the development of new hotels, convention centre space or expanded air service and facilities.

On the human side, capacity building is typically more about technical support and education and training. Many bureaus provide training services to their business partners as part of elevating their ability to successfully service international customers and events.

Simply having a formal member or partner program is a form of capacity building because through these programs bureaus are helping the industry to collaborate and to organise themselves into a unified team of promoters and service providers.

Destinations with "whole-of-government" support will always prevail over destinations where only one minister cares about the bureau and convention business.

Government and Community Engagement

Strong government support is essential for bureaus to have adequate resources, but also in relation to activities and policies that help to build the destination and provide support to inbound conventions. Destinations with "whole-of-government" support will always prevail over destinations where only one minister cares about the bureau and convention business.

Destination Management

Better community engagement is also seen as a key ingredient to destination success. Increasingly conventions are looking to have more impact and to have community outreach elements in their meetings. This can also have a positive impact on government support since governments exist to serve local communities. In general, if the community is interested, government is interested.

Planning

All of the issues above are often addressed in destination roadmaps, also known as destination development plans or tourism master plans. Convention bureaus can encourage governments to conduct planning exercises, whether specifically for building the convention industry or broader planning for the total visitor economy. In the latter instance, a convention bureau and its stakeholders can provide active input on the planning elements that most relate to success in hosting meetings.

Bureaus are Fundamental to Destination Success

One of the most important reasons to have a strong convention bureau is that customers want to work with them. Meeting planners usually prefer to work through a bureau because of the fact that it is providing broad destination support, helping them to find the best solution without having a commercial interest. Some meeting planners won't even consider a destination if they don't have a bureau to work with. Planning a meeting without a bureau's help is often too difficult, and it's an indication that the destination is not unified, well coordinated, mature and experienced.

An expression used in the industry is "full-service bureau." These are bureaus that are well-resourced, with dependable revenue streams, stable and experienced teams of professionals and a comprehensive range of services and programs such as those discussed in this paper. But, not all bureaus are full-service, again they come in different shapes, sizes and capabilities. Some are only equipped to support bids initiated by local stakeholders. Some are only resourced to do communications.

The most successful destinations have full-service bureaus. They will always have a competitive advantage over destinations that have limited-service bureaus. But, even the most experienced and well organised destinations are facing growing competition for this much sought after market. So, all bureaus should be pursuing a strategic approach to expanding and enhancing their capabilities. Any bureau is better than no bureau, and most will grow and develop over time.

One of the most important reasons to have a strong convention bureau is that customers want to work with them.... Some meeting planners won't even consider a destination if they don't have a bureau to work with.

Glossary:

Industry Acronyms and Terms
used in this Document

Alternate Function Venues – A venue other than the main convention centre where social functions are staged.

AMC – An Association Management Company. An AMC manages various aspects of running the business of an association, including its meetings.

Average Occupancy – The percentage of a hotel's available rooms that are occupied.

Average Rate – The total revenues from hotel room sales divided by the number of rooms sold.

Bid – A formal proposal to host a convention.

Bid Book – The document that is the written presentation of a bid proposal.

Bid Brief – A document that provides all important information about a bid to those involved in the bid development process.

Bid Criteria – The required information that an association specifies must be included in the response to an RFP. Also known as "Bid Specifications"

Bid Manual – A document that presents the bid criteria for a given convention.

Bid Specifications – Also known as "Bid Criteria."

Breakout Sessions – Smaller meetings or workshops at a convention, usually a number are offered simultaneously. Also known as "Concurrent Sessions."

Civil Society – A third sector after business and government. Made up of associations, NGOs, and educational, religious and charitable organisations.

Committable Rooms – The number of rooms that a hotel, or a group of hotels collectively, will agree to provide to a single convention.

Concurrent Sessions – Also known as "Breakout Sessions"

Consumer Shows – An exhibition open to the public, for which there is often a fee for admittance, e.g. a home show, garden show, car show or boat show.

Convention Bureau – An organisation that is responsible for promoting and developing a destination's convention business. A convention bureau is a form of DMO.

Coopetition – The process by which businesses who are normally competitive with one another agree to cooperate to grow the total volume of business available to them collectively.

Core-PCO – A company that provides management services for an association's meetings over a number of years and regardless of where the meetings are being held.

Distribution Channel – The pathways to market, i.e. the different people or companies that are involved in a transactional sequence that connects sellers to their product end-users.

DMC – A Destination Management Company, which organises the ground transportation and tour elements of a convention.

DMMO – A Destination Management and Marketing Organisation has a broad mission to manage the growth, development and success of a destination, as distinct from a DMO which has a more limited sales and marketing mission. A Convention Bureau can often be a DMMO.

DMO – A Destination Marketing Organisation is focussed primarily on promoting business in a destination. A Convention Bureau is a DMO.

Educational Tour – A tour sponsored by a destination by which small groups of prospective clients are brought to the destination so that it can be showcased as a place to hold a convention. Also known as a “Familiarisation Tour.”

EMC – An Event Management Company, one that will arrange or support social functions with creative programmes, entertainment and staging.

EOI – An Expression of Interest. Often prior to seeking bids for a convention, the association will first seek EOIs and then decide a shortlist of those that are invited to bid.

Export Show – An exhibition designed to stimulate exports from the market in which it is staged. The sellers are local market businesses and the buyers would be from outside the market.

Familiarisation Tour – Also known as an “Educational Tour.”

Federation – An association or alliance of peak bodies representing a given industry. In essence, an association of associations.

FITs – Free Independent Travellers, tourists or other people visiting for other than for a convention or other business purposes.

General Session – A meeting at a convention or congress where all of the delegates are scheduled to be in one room. Often a general session will have opening ceremonies, keynote presentations and will also be used to conduct the business of an association. Also known as a “Plenary Session.”

Import Show – An exhibition designed to stimulate imports into the market in which it is staged. The sellers are businesses from outside the market and the buyers would be from within the market.

Legacy – The long term positive economic and social impacts that result from having an international meeting in a city and/or country.

Local Contacts – The local professionals who are affiliated with an association and who can help to support a bid process for the association’s meeting.

LTO – A Local Tourism Organisation, the marketing agency promoting tourism for a city.

Market Segment – A targeted portion of a market based on the nature of the potential business that it offers. Typical segments in the business events industry are corporate meetings, incentive meetings, conventions and exhibitions.

Meeting Planners Guide – The comprehensive “product manual” that presents key information about a destination for people who may be planning meetings there.

Multi-Function Space – A space in a convention centre or conference hotel that is flexible and can be used for different purposes, e.g. meetings, banquets or exhibitions.

NGO – A Non-Government Organisation. They are cause driven and are not a part of government, but they seek to influence government.

NTO – A National Tourism Organisation, the marketing agency promoting tourism for a country.

Official Airline – An airline that has negotiated a preferred status as a sponsor of the convention. The association recommends that delegates book with the airline when making travel arrangements for a convention and the airline offers a special fare discount.

Official Bid Criteria – The officially endorsed list of requirements and preferences that an association will provide to potential bidders, and which are the key issues considered when evaluating a proposal and deciding a destination.

PCO – A Professional Congress Organiser, the in-bound service companies that manage local arrangements for a convention.

PEO – A Professional Exhibition Organiser, the in-bound service companies that will manage exhibition arrangements for a convention.

Plenary – Also known as a “General Assembly”

Professional Association – An organization promoting the success of a given profession, e.g. doctors or engineers, and the members are individuals. Also referred to as a “Society.”

PTO – A Provincial Tourism Organisation, the marketing agency promoting tourism for a province. In countries that have states instead of provinces, this is referred to as an STO.

REVPAR – Revenue Per Available Room, the total amount of room sales revenues received by a hotel, divided by the number of available rooms.

RFP – A Request for Proposal, an association’s detailed call for destinations to bid on hosting a convention.

Room Block – A specific number of hotel rooms being reserved for use by delegates attending a given convention.

Rotation Patterns – A convention's usual sequence of preferred regional meeting locations. Usually, its plan is to meet in a specified different part of the world in each given year. The pattern is usually consistent and repetitive

Site Inspection – A tour showcasing a destination specifically to a small number of decision makers who are considering it for a given convention.

Social Programme – The planned networking and social functions of a convention, e.g. receptions and banquets.

Technical Programme – The planned educational sessions of a convention, e.g. meetings, workshops and technical tours.

Technical Tour – A visit of convention delegates to a laboratory, R&D centre or other installation that is of particular interest to their field of endeavour.

Trade Association – An organisation representing the interests of an industry. The members are usually companies.

Trade Show – An exhibition designed to bring buyers and sellers within a given industry together. Exhibitors are the sellers and attendees are the buyers.

UN SDGs – United Nations Sustainable Development Goals.

Unofficial Bid Criteria – Issues that matter to individual decision makers when selecting a destination, and which are not addressed in the official bid criteria but may influence the ultimate decision.

Yield Management – The process by which hotels and airlines work to maximise their profits by managing their available inventory (hotel rooms or airline seats) in a way that generates the most revenue per unit.

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For more information about ICCA, please visit www.iccaworld.org

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