

CVBs are an incomplete vehicle to promote convention centres, says AIPC director of programming and international development, **Rod Cameron**

'MICE is not about tourism'

For most of its existence, the meetings industry has been something of an orphan, falling between more recognised industries or adopted by another sector that can gain by association, typically the tourism industry even though this regard it only really shares a need for accommodation and other visitor services. The critical role meetings, conventions and exhibitions play in economic development, however, is regularly ignored in favour of their less significant role as a tourism product. This is ironic at a time when the industry needs all the recognition and support it can get.

Conventions and exhibitions are all about economic development and only incidentally about tourism. They promote professional and business development, academic and research exchange, technical and medical advancement and cultural evolution. Yet the industry continues to gauge their value and success on measures that trivialise the real economic benefits generated for the community.

This misunderstanding is common, as the tourism industry tends to perpetuate the notion and given that the two industries are often conveniently lumped together administratively. However, it has hindered the ability of the meetings sector to shape and advance a region's economic development strategies.

Discussing a convention centre's value does not only concern benefits for the tourism sector. This is important because like any area of government investment, convention centres need to be assessed on the basis of what return they provide the taxpayer investor, and this can hardly be done effectively if a major area of significance is simply left out of the equation.

This broader role has been largely ignored because of a tendency to measure benefits on the basis of delegate and exhibitor spending because they are easy to calculate. As a result, direct evaluation of a centre's effectiveness focuses on

the contribution to the tourism and hospitality sector – specifically the number of hotel room nights generated – ignoring the greater value generated in overall economic development.

There are two reasons why this is a problem.

Firstly, it results in an underutilisation of the potential of a convention centre.

A convention centre, and the events it hosts, should be a primary instrument of economic development for the government owner as it

enables the selective pursuit of events relevant to the owner's policy objectives.

Secondly, it perpetuates the idea that centres exist to serve only the tourism industry. This has resulted in situations where the marketing of a centre is left by CVBs, which are at best preoccupied with other priorities and at worst ill-equipped to deal with a very different market than the consumer base they are used to dealing with.

The most successful marketing of a centre (and thus

the greatest overall return to the owner) will be achieved with a dedicated effort that fully recognises and prioritises the unique

demands of the market and the broader opportunities associated with economic and business development. Consider the following:

- Conventions and exhibitions sell on a B2B basis. Centres seldom, if ever, deal directly with the end-user (the delegates).
- A leisure image is increasingly irrelevant to what many planners consider for their site decision. Centres need to appeal to a market that increasingly under-

stands meetings as a serious business, not a junket.

- Decisionmakers, decision factors and business processes are all fundamentally different in the meetings market and the selling process needs to be adjusted accordingly.
- In a leisure and business mix, the business events side of the equation is seldom a top priority, often because the meetings component may be represented by a single centre and a handful of suppliers. This means the leisure side will always get the bulk of the investment as it has a lot more lobbying power.

This means the job of selling a centre and of generating the full range of benefits in the overall economy needs a specialised approach based on an appreciation of the range of objectives to be served. The economic development role will tend to be one of the biggest priorities in the mix.

As long as centres exist, and remain competitive, they will continue to benefit the tourism sector by filling hotels and restaurants, supporting the creation of new hotel capacity and creating greater destination exposure. However, they cannot do this without ongoing investment, usually by government. A better understanding of the broader role centres play in overall economic development will help justify this investment and benefit everyone.

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