

ASSOCIATION OF CARIBBEAN STATES (ACS)

Directorate of Sustainable Tourism (DST)

Meetings Tourism: Conceptualisation and Regional Vision



JUNE 2017

TABLE OF CONTENTS

I.	Introduction	3
II.	Conceptualisation of Meetings Tourism	4
III.	Value Chain of the MICE Segment	8
IV.	Benefits of MICE.....	13
V.	Challenges in the MICE Tourism Segment	15
VI.	Strategies and Trends in MICE Tourism, 2017	17
VII.	MICE Tourism in the Greater Caribbean Region.....	25
VIII.	Conclusions and Recommendations	30

I. Introduction

After the Second World War, tourism in general, became a massive phenomenon with the development of commercial aviation, paving the way for air law, which increased commercialisation, leading investors to build momentum toward the tourism industry.

In general, the natural evolution of tourism gave rise to new categories of tourism and one of the most important, given its volume and foreign exchange contribution to countries, has been Meetings Tourism or Business Tourism, better known as MICE (Meetings, Incentives, Conferences and Exhibitions). In recent years, this sector has been ranked as one of the major generators of investment, employment and development for several countries belonging to the Greater Caribbean Region, with specific destinations being established for the carrying out of said activities.

Over the years, the trend of convening business meetings at the global level has grown constantly. According to the statistics provided by the International Congress and Convention Association (ICCA), more than 7,500 international events are held annually, among them fairs, congresses and conventions. Without a doubt, this segment of tourism is an opportunity for those Greater Caribbean countries that have not yet developed this important tourism segment fully.

It is therefore imperative to consider that this research effort may reveal not only the birth of Meetings Tourism or MICE tourism, but also the economic impact that this sector has had in some of the countries belonging to the Greater Caribbean region, and also at the international level, as well as the new trends and challenges currently being faced by this activity.

II. Conceptualisation of Meetings Tourism



In the Meetings Tourism segment, there are different general terms related to this sector, such as business, convention, congress, exhibition, conference tourism, etc. However, it is important to point out that Business Tourism is a term that has now evolved and which is also known today as Meetings Tourism, since it better covers the series of activities carried out within this segment of tourism.

In this regard, it is crucial to define what is understood by Meetings or Business Tourism. According to the United Nations World Tourism Organisation (UNWTO), Meetings Tourism is that travel activity engaged in outside a person's usual environment for at least 24 hours, satisfying the meeting requirements established. This type of tourism has been categorised as one of the fundamental segments of the tourism sector, making it one of the driving forces behind the development of the sector and an important generator of revenue, employment and investment¹.

There are two types of Meetings Tourism: Individual and Group. The former includes business travellers who, due to the nature of their activities, travel from one city to another or from one country to another, to develop activities related to their profession, while the latter includes events that are familiar to us, such as Congresses, Conventions and Exhibitions².

In this respect, based on the evolution of the term "business tourism", it has been considered that Meetings Tourism is the one that best covers the series of activities carried out including numerous segments, products with different purposes and magnitudes.

¹ Taleb Rifai, Secretary General of the World Tourism Organisation (WTO) Global Report on the Meetings Industry http://cf.cdn.unwto.org/sites/all/files/pdf/am_8_meetings_esp-red.pdf

² Entorno Turístico (Tourism Environment) Magazine <http://www.entornoturistico.com/que-es-el-turismo-de-reuniones-y-como-se-clasifica/>

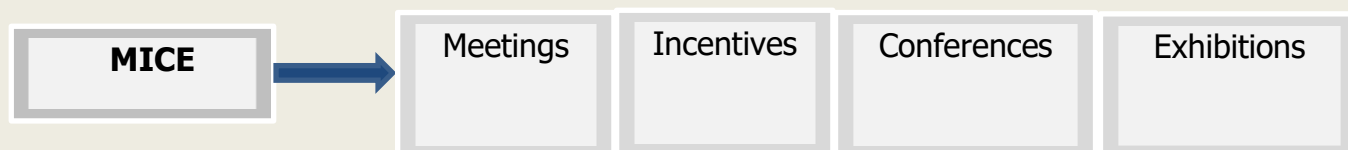
Meetings Tourism: Conceptualisation and Regional Vision

The United Nations World Tourism Organisation (UNWTO) classifies Meetings Tourism according to five categories³:

- ❖ **Corporate or Business Conventions and Meetings**
- ❖ **Association Congresses**
- ❖ **Trade Fairs and Exhibitions**
- ❖ **Incentive Travel**
- ❖ **Other Meetings**

In this respect, terms related to Meetings Tourism, such as business tourism, convention, conference tourism and others, have gradually become broader segments within the tourism industry, involving other terms that also play an important role in meetings tourism, and that's why today, in the context of the globalisation of the tourism industry, meetings tourism is also known as **MICE**, which means Meetings, Incentives, Conferences and Exhibitions.

Illustration 1: The most important elements of MICE



Source: Association of Caribbean States (ACS)

MICE tourism is defined as a set of flows of tourists whose reason for travel is linked to the carrying out of work, leisure, professional or associative activities through business meetings, congresses, conventions, incentive travel and other similar meetings, for example, workshops, product presentations, conferences, symposiums, forums, seminars, courses, etc., convened with different purposes and magnitudes⁴.

³ *Entorno Turístico (Tourism Environment) Magazine*, “Que es el Turismo de Reuniones y Como se Clasifica” (What is Meetings Tourism and How is it Classified) <http://www.entornoturistico.com/que-es-el-turismo-de-reuniones-y-como-se-clasifica/>

⁴ Roció Sarmiento, *Turismo de Reuniones (Meetings Tourism)* In slideshare

Meetings Tourism: Conceptualisation and Regional Vision

Some of its most important elements include:

Congresses: are defined as those professional meetings whose purpose is to hold a discussion and a professional or academic exchange on a topic of interest. The initiative to convene congresses can be professional or institutional in nature, the invitation to attend is open and participation in them is voluntary.

Conventions: are all those professional or business meetings whose purpose is for its participants to address matters that are mostly commercial in nature, regarding a market, product or brand. The initiative is usually a business one, the invitation to attend is closed since it targets an audience that is personalised and related to the topic, while participation is usually by way of invitation.

Some organisers of Congresses and Conventions

In general, the company organising this type of meeting is the one responsible for covering the expenses. Included among the organisers are Associations, Private Companies, Chambers, usually those receiving an average of 500 to 10,000 participants and for the most part, 50% to 90% of the participants are foreigners.

Fairs: are public exhibitions that are organised professionally by companies, associations or individuals, whose purpose is the sale of products or services of a specific sector of the economy.

Exhibitions: there are two types of exhibitions: Industrial or Trade.

Industrial Exhibitions: are those private or semi-private showings or exhibitions that assemble the members of a business, professional or commercial sector, aimed at showcasing technological advancements and stimulating the sale of products among the members of a business sector.

Trade Exhibitions: are exhibitions that assemble members of a commercial, business, professional or social sector for the purpose of promoting the sale of products or services to the target audience.

Incentive Tourism: is an extraordinary modern managerial strategy that is employed to achieve business goals. At present, growing competition on the market compels companies to devise new ways of rewarding their most productive employees, as well as the clients generating more profit. Incentive travel has been used by many

Meetings Tourism: Conceptualisation and Regional Vision

companies to present certain commercial strategy plans in a relaxed atmosphere, leaving behind the usual meeting room⁵.

Activities related to MICE Tourism have become a crucial dynamising element of tourism, especially given their capacity to offset the seasonality of the demand, a fundamental factor for developing a profitable and sustainable tourism industry, in addition to which, it is imperative for creating sources of employment.

MICE Tourism has a series of distinctive characteristics that set it apart from the remaining subsectors of tourism⁶:

- The concentration of the convening of meetings, congresses, conventions, fairs and other corporate events held during the rest of the year, reflecting mostly high tourism indices.
- The investment required in infrastructure, promotion and attraction of candidatures, human and technological resource training. The economic impact that it generates continues to be an attraction for cities.
- It involves different specific players such as event planners, travel agencies, hotels, as well as restaurants, transport companies and others.
- The destination is selected based on its accessibility, since it is one of the elements that determines the success or failure of the event and sometimes the standing of the very organiser or promoter; therefore, connectivity is key.

Moreover, MICE does not only yield direct benefits for the tourism entrepreneurs that have been contracted to handle the business events, but it also benefits other sectors such as accommodation, travel agencies, transport companies, restaurants, shops, among others.

⁵ Ismael Jorge, “Turismo de Incentivos” (Incentive Tourism) , Prezi <https://prezi.com/mp5rdh83clom/turismo-de-incentivos/>

⁶ MICE in the Clouds <https://www.miceinthecloud.com/nosotros.php>

III. Value Chain of the MICE Segment



Illustration 2: Elements involved in MICE Tourism
Source: Cybage (2017)

- **Hotel Industry:**

Hotels are one of the most common sites for holding an event. They provide facilities, spaces and rooms for the various activities of this segment, among which business tourists can have access to food and beverage services, rooms, entertainment areas such as casinos, etc. In addition, most hotels offer business travellers special facilities with technology, so as to better meet the needs that arise during events, for example: Access to video conferences, email, press rooms and exhibition rooms, among others.

Meetings Tourism: Conceptualisation and Regional Vision

MICE activities affect the Hotel sector as follows:

- They represent up to 65% of the total sales at the major hotels in the cities where meetings are held
- Participants tend to use other hotel services, such as restaurants
- Delegations accompanying business travellers bring additional business
- They allow hotels to make advance reservations and help fill spaces during low tourist seasons
- Most business travellers have the opportunity to become repeat guests⁷

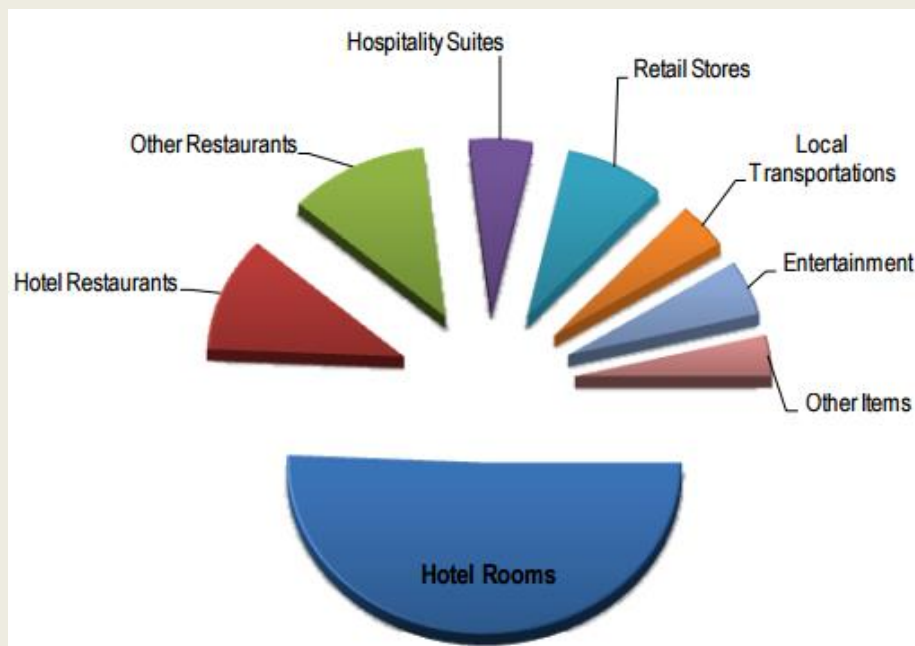


Illustration 3: Demonstrates how hotels are definitely one of the major providers of MICE Tourism, as well as the main beneficiaries of this sector.

Source: Hosteltur

⁷ Dr. Chloe Lau, Assistant Professor, School of Hotel and Tourism Management, Meetings, Incentives, Conventions and Exhibitions (MICE) http://www.edb.gov.hk/attachment/en/curriculum-development/kla/pshe/nss-curriculum/tourism-and-hospitality-studies/MICE_English_2016.pdf

Meetings Tourism: Conceptualisation and Regional Vision

○ **Transport:**

In so far as this segment was evolving, travel agencies and transport companies were being developed, created specifically to meet the needs of business travellers in terms of their mobility during an event.

Especially in this sector, it is important to have an efficient service since different trips need to be made or itineraries carried out, in order to transfer business travellers from airports, hotels, restaurants, etc., to their destinations.

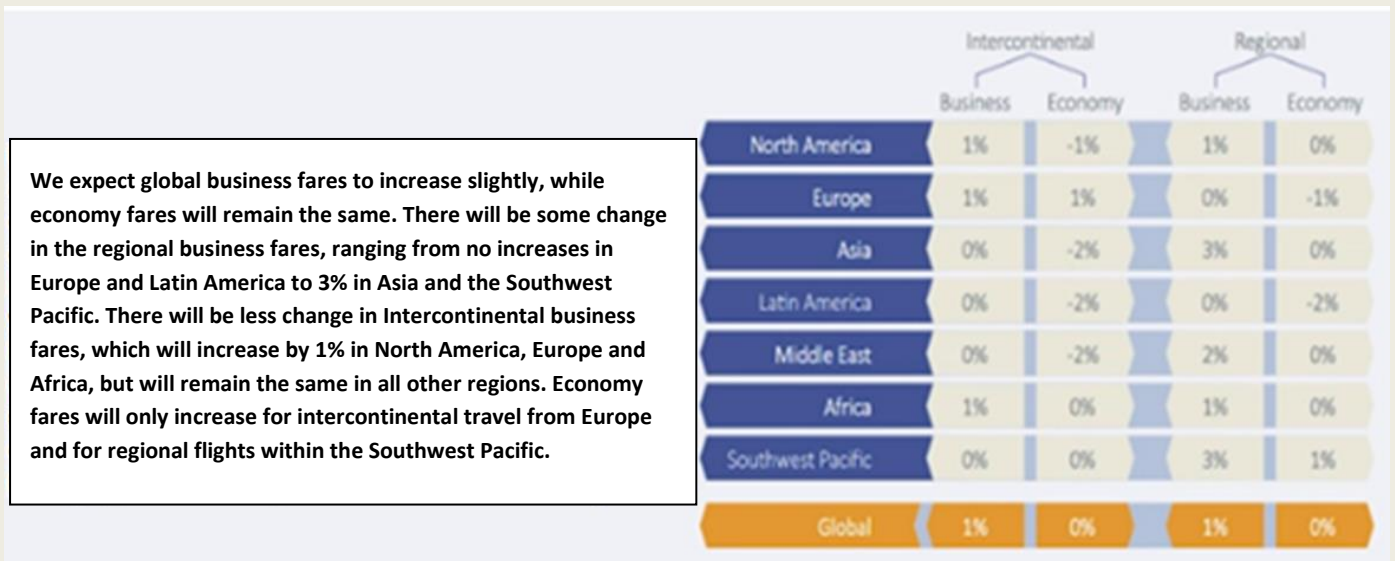


Illustration 4: Air Transport Forecasts
Source: Advito Travel Consulting Firm

○ **Attractions:**

Each country has tourist destinations that become main attractions for business travellers. These attractions include places like museums, art galleries, zoos, water parks, casinos, aquariums, etc. This allows visitors to have, for the most part, access to the culture and history of countries and to return on a pleasure trip in the future.

○ **Infrastructure:**

Having proper infrastructure is fundamental for the MICE segment since, in spite of the natural beauty of tourist destinations, there must be proper conditions and international standards on the part of providers such as hotels and others, in order to successfully

Meetings Tourism: Conceptualisation and Regional Vision

carry out this type of tourism. It is also important for countries to have a promotion strategy so that there could be a higher influx of tourists.

- **Location:**

Business travellers keep up with presentations and meetings that have been previously scheduled, which is specifically one of the reasons why the location of the hotels accommodating them is a priority for such travellers. This segment of tourism requires a convenient location that is in close proximity to the convention or conference centres, thereby allowing them to arrive at their events within a short period of time.

- **Need to be connected at all times:**

Business travellers constantly use their mobile phones or other devices to stay in touch with their clients and colleagues during their business trips, having quick and efficient access to their e-mail, video conferences and files. Hotels that do not provide high speed wireless internet access or any access, is not the ideal location for business travellers, since providing a wireless connection these days is an imminent need in this tourism sector industry.

- **Make hotel guests more loyal:**

Due to the high travel frequency and the shorter time spent in the search process, business travellers are highly inclined to opt for hotels that meet certain criteria when compared with leisure tourism. 65% of Business Tourism belongs to hotel membership programmes, according to a recent Google study; offering loyal customers special deals, free upgrades, is an excellent way to keep business travellers so that they would return to those hotels on their next business trip.

- **Stress the need to include all amenities:**

Accommodation for business tourists has proven to be essential, thus, facilities must be provided for business activities such as “business” rooms that have work spaces, internet access via television receivers, data transmission connections, etc. The United

Meetings Tourism: Conceptualisation and Regional Vision

States began the first hotel chain to offer such services in 1997 and since then, this category is included in more than 30 countries.⁸ Furthermore, many business travellers do not travel with just their colleagues but with their families. This opens up possibilities for joining forces with hotels and conference centres, to provide more entertainment options for the spouses and children of guests and be able to cover the needs and comforts of travellers.



⁸ Online Marketing Products for Independent Hotels, <http://www.e-marketingassociates.com/>

IV. Benefits of MICE

Many cities would like to develop MICE given the tremendous benefits that this sector brings to cities:

- **Economic Impact**

MICE tourism has a high economic impact through the organisation of congresses and meetings in a tourist destination and also the services mobilised directly for this segment of tourism, such as upscale restaurants, casinos and others, since most of these meetings are with important business clients. Many companies complement the needs of business travellers, benefitting directly from all activities generated by these events.

Of the expenses incurred by a business tourist, the majority is covered by the companies and this allows the tourist to be in a position to allocate more money to extra services, purchases or other additional activities on his trip.

- **Reduction in Tourism Seasonality**

One of the main reasons why Cities are taking a chance on the MICE segment is because it helps to reduce seasonality.

Congresses, meetings and events are usually organised at times that are not necessarily vacation periods or public holidays. Moreover, many congresses and fairs are scheduled on weekdays, depending on the venue, as well as the target audience. Without a doubt, this makes the product a perfect complement to the entertainment product and contributes to an ongoing abundance of activities and visitors, thereby allowing for the creation of more opportunities for long-term employment and work contracts.

- **Alternative to Saturation**

When a mature destination reaches a point where it is saturated with tourists during peak seasons or on specific days such as weekends, it is necessary to seek out other models that would prevent such situations, and that is precisely what happens when mature destinations base their product on "sun and beach". In light of this, there is a complementary alternative, specifically MICE Tourism, where there is no need to

Meetings Tourism: Conceptualisation and Regional Vision

dedicate so many resources promoting vacation tourism, achieving the arrival of more visitors, but in a staggered fashion, obtaining a more sustainable long-term model.

- **Pleasure or Recreation**

Tourists travelling for business reasons extend their stay to be able to enjoy a few days and get to know the destination of the country they are visiting. As indicated in the study conducted by the *IE Foundation*, 67% of business travellers acknowledge that they take time off when they travel for work and 58% often add one or several days to their stay to explore the city, while others have expressed their intention to return to the destination with their family to discover more about the city.

- **Promotion at the International Level of Competitiveness**

Hosting major international congresses attended by thousands of delegates from around the world puts a destination on the international map, not only by the number of travellers visiting the city, but also by the impact that the congress may have in the media. Hosting congresses in a city undeniably attracts more congresses, especially those that share the same organisational characteristics.

Without a shadow of a doubt, when a city boosts its image and demonstrates its capacity to host certain types of congresses, fairs and events, it is much easier to sell the destination and get the organisers to choose it over any other⁹.

⁹ MICERS BY BARCELÓ <http://micers.com/7-razones-las-que-apostar-por-el-segmento-mice/>

V. Challenges in the MICE Tourism Segment



According to the magazine *World Luxury Tourism (WLT)*, there are some challenges that the meetings or MICE Tourism segment must still face in the coming years, highlighting the following 10:¹⁰

1. Create its own differences that would set it apart from travel and tourism.
2. Establish universal economic impact models: the industry must offer a good quality-to cost ratio, in addition to which, stakeholders need to have proof of economic benefits.
3. Prove relevance and value: Show that meetings are not an economic problem but rather a vital part of the solution and an opportunity for economic growth for the countries hosting them.
4. Think and act strategically: Assess needs, anticipate future challenges and tackle them with appropriate measures, for example, the potential increase in travel fares and accommodation rates (see *Illustrations 4 and 5*).
5. Increase agility and flexibility: The public spaces where meetings are held must be flexible in terms of the services they provide.
6. Personalise and deepen the learning experience: Take into account the learning principles during the days of the events and activate even further, joint participation with the audience.

¹⁰ World Luxury Tourism WLT <http://www.worldluxurytourism.com/mice/mice-trends-and-its-immediate-future.html>

Meetings Tourism: Conceptualisation and Regional Vision

7. Test business models and revenue streams: Think of events as launch pads for ongoing revenue generation.
8. Adopt value chain thinking: Foster collaboration among stakeholders, whether planners or providers.
9. Acquire, retain, develop talent and adopt diversity: Careers in the meeting segment must be seen as stimulating and rewarding, in order to attract the next generation.
10. Develop the Meetings Tourism leaders and managers of tomorrow: In the coming decades, most leaders will be successful through innovation and experimentation, due to the technological trends already being experienced and which have facilitated quick access to information and planning.

VI. Strategies and Trends in MICE Tourism, 2017

In general, having new tourism intelligence strategies or dynamics in a destination that is seeking to focus on the MICE segment or Meetings Tourism is key in order to achieve a competitive position in the market at a global scale, from the moment structural changes are being experienced in the methods to manage the destination through the emergence of new technologies such as the Internet, applications, mobile devices, having an impact not only on business models, but also on the promotion and communication strategies of the destination.

Today, *Smart Destinations* give the destination a competitive position, leading to the question: How can the MICE segment utilise and take advantage of that destination's Smart profile? *Smart Destinations* involve the intense use of technological infrastructure to enhance the tourism services and products available in the destination. Although tourism intelligence cross cuts all segments, it is essential to have the proper technology that could be useful according to the destination's objectives regarding the hosting of events and congresses.

Having a sound level of connectivity, a complete and fast website for the destination, specific applications that allow the flow of up to date information and agendas among stakeholders and potential attendees at an event, developing online platforms to provide specific information in real time, are just a few of the strategic elements that would allow for the fulfilment of the needs of event and congress organisers from a tourism intelligence perspective.

In turn, ensuring the three fundamental pillars of an intelligent destination gives the MICE segment added value in its positioning strategy, from the moment it incorporates the following:

- **Quality** in the services, infrastructure and human resources made available in the destination for holding events.
- Technological and spatial **accessibility** that facilitates greater efficiency in the development of events.
- **Sustainability** of the destination and the practices under which different events are organised, as well as their related social activities.

What is the Role of Destination Marketing in the MICE Segment?

From an endogenous perspective, its role is to reflect the identity of the destination in such a manner so as to showcase the values and features corresponding with the scientific and business events. Strategically projecting resources, technologies and capabilities to present the trademark image of the destination through different online channels, plots out the courses of action to be taken in order to achieve effective positioning targeting the Meetings Tourism segment, and to also bring about the greatest dissemination possible of the technology used to develop events in the destination, so that the potential attendee could have details and could access information before, during and after attending the event. Additionally, this could be perceived as a satisfactory experience in the destination, validating the practices of a hyper-connected traveller, linking the different mobile applications and technologies of the segment to the social networks that can become a strategic resource so that altogether, marketing and tourism intelligence could succeed in drawing events to a destination.¹¹

According to the consensus of various reports and analyses of MICE Tourism experts, published by the magazine Hosteltur, there are ten (10) trends that will leave their mark on the segment in 2017.

1. **Global economic growth:** 2017 will favour the MICE segment, since the IMF has forecasted 3.4% economic growth at the global level for 2017.
2. **Rising Markets:** Corporate clients involved in information technologies will not increase their travel and event expenditure. Globally, there are better prospects for the automotive and pharmaceutical industries. According to Alberto Mestre, the Meetings & Events Director of the banking company, American Express Global Business Travel, following the stressful period of the crisis and as a result of travel budgets, pharmaceutical and financial markets are showing greater stability, while companies operating in the food and automobile sectors are recording increased investments in company travel, which correspond with a rise in consumption and greater incentives in the sales network.
3. **Rising Incentives:** After the fall recorded between 2008 and 2014, the growth experienced in 2015 has been consolidated in 2016, with a surge in average

¹¹ Carolina Tkachuk "La Inteligencia Turística en las Estrategias de Marketing en el segmento MICE" (*Tourism Intelligence in Marketing Strategies in the MICE segment*) <https://www.miceinthecloud.com/blog/La-inteligencia-turistica-en-las-estrategias-de-marketing-en-el-segmento-MICE.php?cn=703>

Meetings Tourism: Conceptualisation and Regional Vision

traveller expenditure, but when companies have to reduce the budget, 55% of them choose to shorten the duration of trips. The preferred destinations are the United States (78%), followed by the Caribbean (47%), Mexico (47%), Europe (40%), Canada (25%), Asia (19%), Central America (16%), South America (17%), Africa (11.5%) and the Middle East (6.6%). According to the survey conducted by Incentive Travel Survey: "today, the objective of incentive travel is to generate a greater sense of belonging among the employees or external collaborators themselves, linked also to reasons for Corporate Social Responsibility, where employees are involved"

4. **More pressure to confirm events in advance:** In light of the fact that the demand for travel for meetings and events increased in 2016 in Europe, the venues hosting such events (from convention centres to hotels) are putting more pressure on their potential clients to confirm their events as early as possible, otherwise the spaces will be sold to other clients.
5. **Security as a priority:** Due to the terrorist attacks suffered in European cities over the last two years, "security has become the number one priority on the agenda of meeting planners" according to the author of the report on the annual perspectives of the IBTM World Fair, Rob Davidson.

According to the Sales Director of Accor Hotels Worldwide, Cyril Kovarsky, the higher demand for security by companies is a factor that is gaining ground in the organisation of any congress or event. However, the decline in bookings observed by Paris hotels in the months following the terrorist attack of November 13, 2015, had a greater impact on the leisure market than the MICE segment. Additionally, a high number of reservations is expected for congresses that will be held in Paris in 2018 and 2019.

6. **Asian clients are becoming more adventurous:** The vast majority of trips originating from the Asia-Pacific market are destined for that same geographic region. Nevertheless, Asian Meeting Planners are seeking out new destinations, driven by the increase in new air routes to other continents.
7. **Reduction of budgets in Latin America:** As a destination, Latin America continues to be popular, but companies located in this geographic zone are reducing their budgets and organising more events within the region. This is due to the economic crisis that is beginning to affect large markets like Brazil.

Meetings Tourism: Conceptualisation and Regional Vision

8. **Political-economic risks in Europe:** The Meeting Planners of the United States are more interested in organising events in the United Kingdom, following the decline of the pound sterling, in addition to which, higher inflation is forecasted for the British Isles. In Europe, companies are exercising prudence when planning their trips and events for next year, given the uncertainty resulting from Brexit, as well as the loans in the Italian bank or the possibility of other countries abandoning the European Union.
9. **Events at specific houses:** The platforms that market specific houses for the organisation of events (for example: a coffee estate, an historical site in the Caribbean etc.) can be the next major disruptive factor in the MICE segment.
10. **Technology:** On one hand, it is necessary to know in real time the number of participants that have confirmed their attendance at a congress, the investment in flights, hotels, etc., taking into account the fact that specific platforms have been created for each of them. On the other hand, the clients are interested in the technology used during the same event, having applications and mobile webs for the delegates attending a conference or congress, where they can not only receive up to date agenda information, but also take note of the services provided.¹²

Along this vein, hotel chains are presenting new trends. One example of these is the Marriot Hotel, which is currently offering special programmes to facilitate Congress and Convention Tourism through programmes such as: *Imagine That!* Designed for Greater Caribbean markets, through which benefits are offered such as elevators in rooms, spaces for courtesy meetings, discounts, welcome beverages, bonus Marriot Rewards points for the organiser of the event, among others.

Furthermore, the vast sector of more internationally recognised airlines such as United Airlines, American Airlines, British Airways, Turkish Airlines, Emirates, to name a few, are working on new strategies that would allow the business traveller to enjoy better services not only on aircraft, but also at their airports, providing technological tools and amenities, offering fares at more affordable prices, discount codes to fly to their event, all for the purpose of increasing their publicity within the tourism sector. Nowadays, many airlines are interested in continuing to strengthen and solidify partnerships among the destinations most requested by MICE tourism.

¹²Hosteltur Magazine “Las Diez Tendencias que marcaran el segmento MICE en 2017” (Ten Trends that will leave their mark on the MICE segment in 2017) https://www.hosteltur.com/119360_10-tendencias-marcaran-segmento-mice-2017.html

Meetings Tourism: Conceptualisation and Regional Vision

In this same framework, the ICCA recently presented a new directory of technology providers for events and meetings, such as mobile applications, software or equipment for virtual meetings. The Directory, better known as the *ICCA Meeting Technology Tool*, allows corporate event organisers to conduct searches, according to the type of technological solution needed or by region and it offers advice to help them select the provider most suited to them. In addition to this tool, the website www.iccaworld.org provides different professionals with resources, practical information and contacts that they can use when organising their events.

Another trend is the emergence of companies specialising in accommodation for business travellers, using not only hotels but also sites that offer accommodation at a lower cost, such as Airbnb, Home Away, VRBO, to name a few, going beyond the essential needs of travellers. The figures published by the International Association of Professional Conference Organisers (IAPCO) revealed that the number of rooms reserved by Government or Corporate Associations, Private Companies, decreased by 1.4 million in 2015.



The surveys conducted by the IAPCO yielded clear results that indicated and confirmed that the rise in accommodation reservations at sites like Airbnb, Home Away, VRBO, among others, led to the reduction in Hotel reservations.¹³

¹³ Jan Tonking, President of the International Association of Professional Conference Organisers, *Meet Pie Magazine*, <http://www.meetpie.com/Modules/NewsModule/newsdetails.aspx?t=Room-blocks-a-thing-of-the-past-as-Airbnb-bites&newsid=22875>

Meetings Tourism: Conceptualisation and Regional Vision

It is also interesting to highlight among the trends, the emergence of companies that offer childcare programmes to congress and convention organisers. This initiative began in Orlando, Florida, United States, when a teacher combined her academic training with meeting planning to create a company that offers programmes to accompany children while parents are involved in their business activities. In this regard, the "Family" market could experience considerable growth in the next millennium, since company directors working increasingly long days are trying to find ways of striking a balance between work and family life. Without a doubt, developing countries and transition economies must ensure that hotels propose this type of initiative more forcefully for their future "business" guests, adapting to the needs of travellers.¹⁴

- ❖ The Advito Travel Consulting Firm has identified the three major characteristics that will define the MICE segment in 2017.

1. Artificial Intelligence (AI) has allowed a variety of applications and software to facilitate interaction with travellers on every leg of the trip. Natural Language Processing (NLP) helps computers to understand human language or written language, after which the AI applies the automatic learning to provide a useful response. The travel industry is well positioned to include this technology, since it has a wealth of information suited for mechanical learning. The technology showed its potential earlier in travel agencies, offering agents pertinent options during reservations. In addition, the largest travel industry is also adopting AI, since KLM passengers can now use Facebook Messenger to confirm their reservations, obtain boarding passes and flight status updates. The Hilton, Starwood, InterContinental and Marriott Hotels are testing with robots to better serve their guests. The foregoing is still in its embryonic stage, but is in our immediate future and, in so far as it develops, it will help to simplify complex travel decisions, shorten the purchasing process and provide a more personalised product.

2. Alternative Accommodation: The collaborative economy offers travellers new and innovative accommodation options. Companies like Airbnb are already well established in the leisure segment and are becoming a primary source of supply for business travellers. Travel administrators can now use tools like BCD Travel Decision Source,

¹⁴ Pablo Thielen and Álvaro Sanz, "Turismo Mice" (Mice Tourism) Magazine
<https://turismomice.wordpress.com/introduccion/turismo-de-negocios-y-reuniones/>

Meetings Tourism: Conceptualisation and Regional Vision

business intelligence and security solution to have a more comprehensive view of their travel schedules and to follow up travellers accommodated by Airbnb. Now they can also obtain and analyse Airbnb reservation information, allowing for better and more reliable scheduling decisions. It is a marvellous option when hotel rooms are booked or in markets where a house is a safer option than a hotel. In such situations, travellers can use alternative accommodation confident that they will stay within the travel environment organised.

Economic growth forecasts – Regional economic growth forecasts for 2015-2017



Illustration 5: Global economic growth forecasts

Source: Advito Travel Consulting Firm¹⁵

- 3. Direct Hotel Reservations:** Hotels have intensified their efforts to increase direct reservations. Chains like Hilton, IHG and Marriott offer a discounted rate to loyalty members who reserve directly. The reason behind this is to move away from online travel agency reservations so as to reduce distribution cost and obtain more information on clients. Such use of the loyalty programme can encourage some travellers to make reservations outside their programmes. Therefore, travel managers must work even harder to commit employees and keep them in the programme,

Meetings Tourism: Conceptualisation and Regional Vision

especially since traveller safety raises the cost in terms of accommodation decisions.

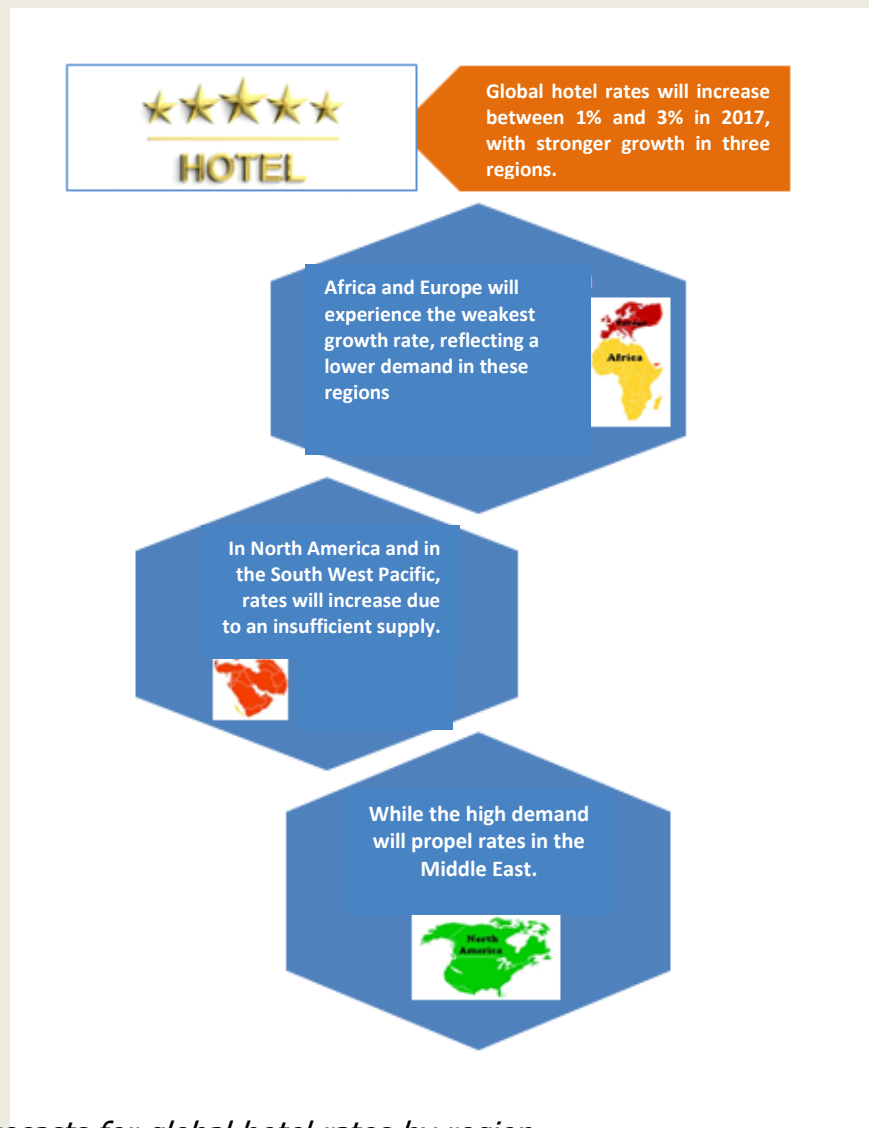


Illustration 6: Forecasts for global hotel rates by region

Source: Advito Travel Consulting Firm

VII. MICE Tourism in the Greater Caribbean Region

Hosting major international congresses attended by thousands of delegates from around the world is not only a challenge for the Greater Caribbean Region, it's also a source that generates benefits, which include increased visits to cities and consequently, their impact on the promotion of the destination, putting countries on the international map.

Recently, the Director of the Sustainable Development Programme of the World Tourism Organisation (WTO), Dr. Dirk Glaesser, stressed the importance of sustainability in the meetings segment and how this sector can serve as a catalyst for change for countries' destinations, promoting the adoption of certification programmes and the implementation of sustainable good practices.

In this regard, the MICE segment affords the Greater Caribbean Region numerous opportunities for expansion at the international level, offering business travellers not only its traditional tourist products but also its unparalleled diversity of languages and cultures, encouraging travellers to return to those destinations in the future and enjoy the tourist attractions.

The Caribbean is undeniably one of the most tourism-dependent regions in the world. This has led to the need to get involved in another branch of tourism, namely the MICE segment, which now has modern conference centres concentrated in some countries like Jamaica, Bahamas, Dominican Republic, Aruba, Mexico, Panama, among others, where not only are there installations but also the different facilities required, including modern hotels that contribute to the success of events.

The 2015 annual report on events related to MICE tourism of the International Congress and Convention Association (ICCA), places the Dominican Republic at number 11 in the North American and Latin American ranking, given the number of meetings currently convened, concentrated mostly in the areas of Punta Cana and Bávaro, surpassing other Caribbean destinations such as Puerto Rico, Cuba, Jamaica and Bahamas, which are ranked 16, 18, 20 and 22 respectively in the report.

However, new destinations in the Caribbean and around the world, for example Antigua and Barbuda, Martinique, Virgin Islands, Cuba, Barbados, Guadeloupe, are taking a chance on this segment, since it is not only a means of reducing tourism seasonality but it is also a way of dynamising economies, creating more stable sources of employment and promoting competitiveness.

Meetings Tourism: Conceptualisation and Regional Vision

The prosperity of this Sector in the Greater Caribbean Region will undeniably depend on cooperation and greater hotel infrastructure development, increased connectivity among tourist destinations, among other aspects, in order to boost the Caribbean and position it at the core of MICE tourism in the coming years.

As regards the Latin American Region, over the last few decades, the Meetings, Initiatives, Conferences and Exhibitions (MICE) sector has become one of the driving forces of local and national economies and in many cases, it has changed the destiny and future of several cities in the region, presenting them with new opportunities for development. According to a report by *American Express Meetings & Events*, by 2016, 14% growth was estimated for the Corporate Events heading. The same study forecasted an increase in the following segments: 7% in Marketing and Sales, 1% in Training, 11% in Corporate Meetings, 8% in Product Launch, 7% in Incentives and 8% distributed over the other sectors that form part of the world of event organisers.

The question arises in this context: Does Latin America have the hotel and service capacity to be consolidated as a congress, convention and incentive destination? In view of this, in recent years, the countries of the region were inserting themselves into the segment and improving in the hotel sector, each one developing and highlighting their best potential for the purpose of promoting themselves specifically in the MICE segment.

Interest continues to grow in Strategic Meeting Management, mainly in Argentina, Brazil, Colombia, Guatemala, Panama, Peru, Mexico and Chile, among others that were also added to the major venues with a higher demand for meetings tourism.¹⁵

In this respect, establishing a specific marketing plan, having public-private collaboration and adequate infrastructure, seem to be some of the key ingredients for the smoother running of events related to business tourism.

Meeting Planners and the Congress and Convention Bureau must stay abreast of the market dynamics and the new needs that are adjusted to the situation of the continent and each country in particular.

At the same time, it should be pointed out that a Strategic Meeting Management programme applied to each company helps to generate savings in costs and to also create a large scale strategy that would promote efficiency in other areas. This overall approach allows meeting and event processes to be optimised, while producing a lower financial risk. Additionally, a consolidated hotel strategy can be implemented that would take into account corporate travel and meeting expenditure by identifying opportunities

¹⁵ Inversor Latam Magazine *Latín Caribe Convention & Visitors Bureaus*

Meetings Tourism: Conceptualisation and Regional Vision

based on travel patterns, market principles and emerging markets. This guarantees savings and operating efficiency for meetings and events and for business travel programmes as well.

All of this means that when a business event or meeting needs to be organised, all eyes are on the Latin American region and it is given priority. The combination of tourist attractions, modern infrastructure, specialised logistics and financial incentives, strengthen the Latin American MICE tourism product, with a growing leading role in the marketing and acquisition of events and clients. It is crucial to understand however, that unlike other eras, there is a new business traveller who combines work and pleasure and has limited time to carry out his business meetings and leisure activities, transforming him into a dynamic traveller, with increased mobility, whose daily agenda keeps changing constantly.

In this context, technology plays a pivotal role since it seems to be the means and channel for key communication, as is the case in most areas and business today when receiving attention and providing a service based on what the business tourist is seeking and requires at different times.

Technology helps to earn visibility and gather data correctly in order to provide support in decision making and improve meeting programmes. Technological solutions are constantly improving shortcomings and create clear and comprehensible reports, helping to better manage the cost of meetings: Tools with online registration, applications for meetings and social networks, solutions to address unmanaged expenditure and even virtual meetings.

The trend and forecasts concerning the growth of the Events and Meetings tourism segment are positive, but it is clear that in order to continue being one of the driving forces behind the local and national economies of Latin America, much will depend on what can be offered in terms of hotel sector services, as well as the strategies employed by countries to attract the new business traveller, understanding his needs and new demands and adjusting to the changing socioeconomic dynamics and context of the region.¹⁶

As previously mentioned, some countries in the region are taking steps to be able to position themselves in this segment, as is the case of Panama, which is currently working under a comprehensive programme to promote the country as a destination and is enhancing its infrastructure and encouraging the construction of new installations

¹⁶ Inversor Latam Magazine *Latín Caribe Convention & Visitors Bureaus*

Meetings Tourism: Conceptualisation and Regional Vision

for conventions that would have the capacity to accommodate approximately 20 thousand persons, among other future projects.

Guatemala is also well positioned as a recipient of international events in meetings tourism since in 2016, it completed the construction of a new Convention Centre known as AVIA, with a total area of 2,367 square metres. In order to raise its supply in terms of the availability of convention centres, sizeable investments are expected in the country, so as to increase its demand in the MICE segment.

Nevertheless, it is important to stress that the growth potential in this segment hinges on joint work with the communication and transport sectors, in order to increase connectivity and provide the logistics for the organisation of events.

Meetings Tourism: Conceptualisation and Regional Vision

The following is the Statistics Report (2015) on Meetings held at the international level, broken down by countries and cities, published by the ***International Congress and Convention Association (ICCA)***. It should be noted that the statistics presented below indicate that approximately 10% of ACS countries are represented among the top 40 countries on the list displayed in this section. The countries belonging to the ACS and which hold the highest number of meetings include: France, Mexico and Colombia.

Illustration 7: 2015 World Ranking: number of meetings per country

RANK	COUNTRY	# MEETINGS
1	U.S.A.	925
2	Germany	667
3	United Kingdom	582
4	Spain	572
✓ 5	France	522
6	Italy	504
7	Japan	355
8	China-P.R.	333
	Netherlands	333
10	Canada	308
11	Brazil	292
12	Portugal	278
13	Republic of Korea	267
14	Austria	258
15	Australia	247
16	Belgium	216
	Sweden	216
18	Turkey	211
19	Denmark	204
20	Switzerland	194
Switzerland Convention & Incentive Bureau (SCIB)		www.MySwitzerland.com/meetings
21	Poland	193
✓ 22	Mexico	184
23	Argentina	181
24	Singapore	156
25	Czech Republic	154
26	Greece	152
27	Thailand	151
28	Norway	144
29	Finland	141
✓ 30	Colombia	138
31	India	132
32	Ireland	125
33	Chinese Taipei	124
34	Chile	118
35	Malaysia	113
36	Hong Kong, China-P.R.	112
	Hungary	112
38	South Africa	108
39	Peru	105

VIII. Conclusions and Recommendations

- There's no doubt that the Business Tourism sector is imperative. New destinations are taking a chance on the MICE segment, since it is a way of not only reducing tourism seasonality, but also dynamising the economy, creating more stable sources of employment and competing with other more complete tourist destinations.

Nevertheless, countries must take into account the need to have adequate infrastructure in order to be able to facilitate all the activities involved in events like congresses, conventions etc., at the level of spaces, proper accommodation, food services, transport, communication and good connections, in addition to cultural attractions related to leisure, gastronomy, fashion or nature, with these being good incentives for attracting this type of tourism that also allows the different destinations in countries to be showcased.

- Business, meetings, incentives, conferences and exhibitions tourism, known today as MICE, has undoubtedly displayed rapid growth, while becoming a generator of revenue. In recent years, it has allowed the creation of a series of strategies for countries to attract this segment to their destinations, which generates not only sources of employment but also sources of financial revenue for the country in general, also positioning them at the international level, getting thousands of business travellers to visit them and return with their families on a pleasure trip. Therefore, it is recommended that the Greater Caribbean observe these international countries that are developed in MICE Tourism, so as to improve its competitive advantage.
- The tourism specialists in developed or transition countries stress the importance of promoting tourism options for business travellers and capitalising on the time that they have available, since the prosperity of this sector also depends on the new technological trends and initiatives implemented by countries and which could improve their image in the international arena. Thus, it is proposed that a recommendation be made to encourage Greater Caribbean countries to use the most up to date technologies to promote MICE Tourism in their countries.
- The MICE segment will certainly continue to evolve in the coming years. It is recommended that the stakeholders of this segment create synergies to ensure this evolution, exchanging new knowledge pertaining to this type of tourism. Greater Caribbean countries are expected to increasingly join the vanguard of this segment, allowing their economies to position themselves and become leaders in business tourism.

Meetings Tourism: Conceptualisation and Regional Vision

- The ACS supports the development of MICE Tourism by promoting the convening of its ministerial summits, meetings of the Special Committee on Sustainable Tourism and regional workshops in different Greater Caribbean countries, among them the Republic of Haiti, Mexico, Republic of Cuba, Republic of Guatemala, Republic of Nicaragua, Republic of Panama, to name a few.¹⁷

¹⁷ Comments and feedback can be sent to the Directorate of Sustainable Tourism of the Association of Caribbean States: tourismdirect@acs-aec.org