Chapter 12

Convention and Visitors Bureau: A Key Intermediary in the Events Industry

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ABSTRACT

In this chapter the focus is on Convention and Visitors Bureaus (CVBs). It brings together academic literature on destination management, intermediation, and the meetings-and-events industry, and compares and contrasts that literature with professional opinion and practice. The chapter presents the origins of CVBs and then clarifies their definitions and institutional forms. It argues for the importance of the intermediation role of these key actors and highlights specific CVB functions in relation to the destination. The chapter presents tools to be implemented in order to fulfill those roles and recommends solutions to help CVBs face emerging challenges.

INTRODUCTION

The meetings-and-events industry includes not only conferences, congresses, conventions, trade shows, and exhibitions, but also corporate, business meetings and incentives. These are gatherings of business people, scientists, and politicians in a given location, outside their normal environment, for economic, strategic, or research purposes. Their importance is growing in the contemporary world as these events offer a means for coping with an unprecedented explosion of knowledge, and they satisfy the need for interpersonal relationships among members of our atomized societies (Zelinsky, 1994, p. 68). Meetings and events are by their nature temporary, as they include same-day travel and overnight stays, usually not exceeding 3–4 days. They are also unique (Getz, 1997). At the same time, their organization requires material, technological, and human resources. This industry plays a key role in contemporary economies. By bringing together many participants at the host destination, it provides many direct and indirect benefits to the local economic fabric. It involves numerous stakeholders, who may be public or private actors or a combination of the two, such as local, regional, or national government agencies, chambers of commerce, conference, convention, and exposition facilities, event agencies, lodging service providers (independent hotels, hotel chains, and bed-and-breakfasts), catering and food industry actors.

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It makes a substantial economic impact on given territories and destinations, it creates jobs, enhances local development, and improves local infrastructures, facilities and even transportation. Numerous cities around the world have engaged in its development and the industry is expanding worldwide (Gaworecki, 2007, p. 35). Moreover, as emphasized already by Butler (1916, p. 230) […] conventions have a twofold value. First, there is the money they leave in a city to enter the channels of trade. The second is the advertising value to the city.

The industry began to grow in the 1990s, but this trend was reversed during and after the 2008–2009 economic crisis, when activities related to professional events’ slowed down. Client companies had to reduce their expenses, including their participation in and organization of professional events. This increased the overall competition on the markets, not only among hosting destinations, but also among the events per se. For those reasons, professional events’ organizers, managers of hosting sites and destinations, eager to maintain their position on the market, have to innovate to surprise their clients, to learn and to adapt their events and sites to visitors and exhibitors’ needs and requirements (Lundvall, 1988; Lawson & Lorenz, 1999). Indeed, because of the crisis, demand has changed. Client companies and visitors have to meet their own strict budget constraints. Event organizing companies have to satisfy their own demand, which also changes over time. Furthermore, because of technological innovations, easy access to information and the enhanced attractiveness of all events, the demands of exhibitors and visitors are still changing. To anticipate and respond to these needs remains a great challenge for events’ organizers and hosting destinations. The second challenge that the industry actors face concerns their competitors. In fact, because of increasing globalization, competition on the market is no longer local, nor even national. It has become global. Established destinations and organizing companies (originating from Western Europe and North America) are in competition with each other, but also with the new entrants (Central and Eastern Europe, Asia, South America). Some observers and practitioners have been predicting for several years now that events’ organizers will gradually move to the second-tier destinations that offer lower prices and better value-for-money, such as Asian, Central and Eastern European, and African destinations, as the transportation system has significantly improved and the mode of transport itself has evolved from rail and road to air travel. Since the late 1990s, like mushrooms conference and meeting facilities have sprouted across the world and Asia (Go MA & Govers, 1999, p. 37-50). During last 10 years Chinese destinations have become some of the most important in the world, constructing huge conference and exhibition centers, following the German example. In Africa, the events industry is growing, but it is based on its specific business model, depending exclusively on big hotel chains, mainly for security reasons. Central and Eastern European destinations are adopting the more traditional “mainstream” model for their events industry, relying on and developing institutional CVBs as key actors for the industry’s development. Events industry development in these newer destinations faces some additional challenges linked to the lack of management cadres, appropriate infrastructure and especially international air connections, but these problems are being rapidly solved as local public authorities come to understand the importance of the economic benefits of the events industry for their territories.

As already emphasized this industry involves numerous actors and stakeholders at each destination. A company willing to organize an event has to compare not only many destinations, but also the type of facilities each location offers. Each event is unique and the requirements for its organization differ one from another. In order to successfully compete with other destinations, attract event planners, and facilitate their choice, each destination needs an efficient intermediary, which will centralize all information about the location’s facilities, provide assistance in event organization, and be able to help tailor a customized offer. These should be the roles of Convention and Visitors Bureaus (CVBs). In this perspective, there
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