

IIMB-ICPB Study

for

Ministry of Tourism, Government of India

India as a Global Conventions Destination

Prospects & Strategies

**Study to Quantify the Size, Scope and Economic
Impact of India's Convention Industry**

Indian Institute of Management Bangalore

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EXECUTIVE SUMMARY

The Ministry of Tourism (MOT) commissioned this research to the Indian Institute of Management Bangalore to understand the current scenario in the global and Indian conventions industry, to assess where India is currently placed within the global context, and to identify the opportunities as well as domestic constraints for the Indian conventions market. The study makes use of quantitative and qualitative analysis of both primary and secondary sources of information to highlight the key strengths and weaknesses of the Indian conventions industry, the current and potential impact of this industry on the economy, and to identify short and medium term measures that can strengthen this sector to improve India's position in the global context and yield larger socio-economic benefits to the country. The study recommends a range of initiatives, involving financial, Infrastructural, organizational, administrative, and human resource aspects, which can be undertaken by government and relevant private stakeholders to develop India as a global conventions destination.

Chapter 1 sets the background for the study by listing the research objectives, defining the scope of conventions, and identifying the various segments that constitute the conventions market. An overview of the methodology including data sources and analyses is also provided to help understand the research process. As outlined in this section, the methodology consists of a mix of primary and secondary sources, the former comprising of surveys and personal interviews with various stakeholders in the industry and the latter relying on published reports, academic studies, official documents, and web-based resources. The data collected in the course of this study has been used to develop performance and impact related tables, matrices, and charts in later sections of the report.

Chapter 2 provides an overview of the world conventions market. Longitudinal data from published sources and reports have been used to identify trends in the conventions market. Data on tourism reveal that conventions or meetings tourism accounts for roughly 20 percent of all international arrivals and is projected to grow at around 10 percent per year over the next decade. ICCA sources point to 14,000 events worldwide of which there were 4,099 meetings in 2005. India accounted for 47 meetings and ranked 36th in the world, with New Delhi hosting the largest number within the country. While the top city-wise convention destinations in 2005 were mostly in Europe, a geographic shift is evident in recent years towards cities in Asia and Oceania, with growing importance of cities such as Singapore, Seoul, and Shanghai. Certain sectors emerge as more important, in particular medical sciences, followed by others such as science, technology, industry, and social sciences. The majority of these events are hosted at conferences or exhibition centres, followed by hotels, and universities. An analysis of the trends further reveals that the frequency of conferences is going up; that they tend to be of shorter duration, and that the lead times for organizing them is becoming shorter. The bidding process, which results in the selection of destinations for hosting conventions, is very important. It consists of gathering information about market segments and offerings by competing venues, understanding the customer, preparing a bid document, site inspection,

participation by specialists and other professionals, and a bid submission, which if successful is then followed by a post bid evaluation and finally hosting of the convention. In the case of major international conventions, where lead times are long, hosting may be based on rotation across destinations.

Chapters 3 and 4 provide a summary of eight leading conventions destination from Asia and six leading destinations from Europe. These destinations include Singapore, Shanghai, Kuala Lumpur, Bangkok Hong Kong, Seoul, Jakarta, Vienna, Frankfurt, Paris, Barcelona, Geneva and Stockholm. The discussion in these chapters focuses on each destination's convention centre and related infrastructure and other facilities such as the availability and cost of accommodation, recreational and tourism opportunities, accessibility, local transport, shopping, etc. The discussion also provides a synopsis of the size of the conventions market for these selected cities based on the number of events hosted in the recent past. It highlights the role of the local convention promotion bureau in developing these cities as convention destinations to underscore the importance of organized efforts in marketing a location to attract conventions. There is also a brief overview of other world destinations in terms of their ratings on convention facilities, accessibility, other attractions, and policy environment with respect to the conventions industry. The highlights that emerge from this global overview are that all major convention destinations have pro active city promotion bureaus or boards which are professionally managed and well funded, that there is a lot of focus on convention specific as well as supporting infrastructure, of which transport infrastructure and accessibility are of foremost importance.

Chapter 5 deals with the Indian conventions industry and constitutes the core of this study. It has various subsections, which discuss the market size and impact of this industry, the city-wise market potential and current state of convention and related infrastructure, and case studies of successful and unsuccessful convention bids, respectively.

The conventions/conference market is estimated at Rs. 4,000-5,500 Crores annually. The entire tourism sector accounts for 2.2 percent of GDP (2005 estimates) of which conventions tourism contributes around 5-7 percent of total tourism revenues, comparable to that in other convention destinations but small in terms of India's potential. Conferences and tradeshows are the most important categories of events. A few venues account for the bulk of events and certain sectors such as the medical and pharmaceutical industries predominate. Participation is largely domestic and there is considerable seasonality in the conventions industry.

This chapter also presents the findings of a consumer survey that was conducted among international delegates in selected cities in the course of this study. The findings reveal that such tourists are relatively high spenders and thus can have sizeable spill over effects on other parts of the economy. The discussion highlights the various channels for such spill over based on primary and secondary evidence and provides estimates for value added and employment multipliers. The

analysis estimates a value addition in the range of Rs 14,000 and Rs. 24,000 Crores per year to the Indian economy with a direct contribution of 0.7-1.2 percent of GDP and a total (direct plus indirect) contribution of 1.4-2.4 percent of GDP. The value added contributions stem from spending on transport, accommodation, recreational facilities, food and beverages, and other tourism. Based on primary evidence regarding the spending pattern of international delegates and existing estimates of the contribution of foreign tourists to employment as well as available employment and business tourism related foreign exchange receipts data, the employment multiplier analysis has been carried out. The results indicate that business tourism can directly add about 13 lakh jobs to the economy in a year and that it has the potential to generate a large number of jobs over the medium term at all skill levels, given projected growth rates for business tourism. Thus there are potentially large effects on local economies, with some Indian cities such as Delhi, Bangalore, and Mumbai better placed than others in becoming convention destinations and in generating such multiplier effects.

Chapter 5 then highlights the market potential of selected Indian cities, namely, Agra, Goa, Jaipur, Kochi, Delhi, Mumbai, Kolkata, Chennai, Bangalore, and Hyderabad, in terms of existing convention facilities, transport, accommodation, connectivity, and other tourism attractions. This section also provides the survey evidence on the perception about India as a convention destination compared to other Asian destinations along various dimensions. The survey results indicate that while India tends to compare favourably on costs, business networking and tourism opportunities, it generally compares poorly with most Asian cities on parameters such as connectivity, accommodation, recreational opportunities, and the general state of convention specific as well as supporting infrastructure.

The case studies that are presented in Chapter 5 support the findings of the aforementioned perception survey about India. Infrastructural inadequacies, especially with regard to transport, hotels, and convention venues and facilities emerge as the main weaknesses of the Indian conventions industry. In addition, lack of a holistic approach to tourism development, inadequate attention to marketing and promotion of the conventions business by government agencies, and lack of trained manpower are also highlighted as challenges to developing India as a global conventions destination. The case studies clearly highlight that India has considerable potential in the conventions business and that there are both tangible and intangible benefits from this business, but that there is inadequate appreciation of this potential and of the means through which such benefits can be maximized to the Indian economy. Much of what is occurring in the Indian conventions industry is really an outcome of private effort and not state support, unlike the case in other Asian destinations.

Chapter 6 outlines possible steps that can be taken to develop the Indian conventions industry. One possible direction is to take a bottom-up approach whereby central and state governments can help develop basic tourism infrastructure, such as setting up more accommodation facilities, improving transport infrastructure, developing airports, and providing regulatory and institutional support to

facilitate the hosting of conferences and meeting, rather than investing large sums for building free standing convention centres in the short term. Thus, under this approach, promotion of the conventions industry would be part and parcel of the overall development of the tourism industry and other infrastructural development and the focus would be on the small and medium segment, which can be more readily handled with India's prevailing convention and related infrastructure. The alternate approach that is outlined is the top down approach wherein the government engages in the development of convention centres, usually in conjunction with private parties. This approach would require the development of a "convention ecosystem" as done by the other Asian countries, where convention facilities are complemented by accommodation, recreational, shopping, culinary, and other facilities. Such an approach is recommended for the top ten convention destinations in the country where the scope for multiplier effects is greater.

Chapter 6 also outlines the role of organizations such as ICPB and other process related improvements that would be required to support either a top down or bottom up approach. Under either approach, there would be a need to develop infrastructure, specifically for setting up convention centres or for allied facilities to enable the convention business. Given the Finance Ministry provisions for 'viability gap financing' of infrastructure projects, recently announced tax incentives for setting up convention centres in the NCR region and the Tourism Ministry's assistance for Large Revenue Generating Projects, the study suggests that ICPB can take a more proactive approach to encourage private investment in this business through public-private partnerships. In addition to attracting greater private sector participation, the study notes the need for greater involvement of professionals in the bidding process, possible changes in the organizational structure of ICPB, greater facilitation by ICPB as a nodal agency with other government ministries, and more focused marketing and lobbying efforts by ICPB to promote the conventions industry. The study also points out the need for human resource development, where ICPB can take the lead in organizing training and certification courses along with institutions and professional bodies by utilizing the scheme for Capacity Building for Service Providers as provided by the Tourism Ministry. Other areas to be examined include tax regulations and administrative issues such as immigration and clearances from various line ministries and local bodies for hosting events. ICPB and the Tourism Ministry should coordinate with the state governments of key convention destinations to reduce the taxes during the off-season and the hotels to reduce tariffs to attract events during the lean summer months.

1 Introduction

The introductory chapter starts with a section listing the background for the study and the research objectives. The second section highlights the issues related to defining the conventions business for estimating its size and scope. We adopt a definition for the study and use it as the basis for segmentation of the market by type in the third section. The fourth section focuses on the methodology adopted for the study. It highlights the sources of data and the analysis carried out as part of the study. Finally the fifth section summarises the remaining chapters of the report.

1.1.1 Objective

The MICE (Meetings, Incentive, Conventions and Exhibitions) business is a large revenue generator for many economies across the world. However, there is a common feeling that India has not really been able to capitalise on this opportunity to that extent. The Ministry of Tourism and the India Convention Promotion Bureau (ICPB) initiated this study through the Indian Institute of Management Bangalore (IIMB) to explore various dimensions of the World and Indian Convention market and identify areas where India can effectively position its services, based on its inherent capabilities, as well as developing necessary skill-sets to address emerging areas of importance in this industry.

The objectives of this research study are:

-  Identification of various segments in the worldwide conventions market and developing an attractiveness matrix for these segments as applicable to India.
-  Estimating the market size of different geographical segments- viz. Asia, Europe, Americas, Australia and South Pacific, Middle East and South Africa.
-  Identify India's competitive position to explore and evaluate India's capability to exploit the booming conventions market and also to identify key focus areas for developing the required capabilities/ infrastructure, including short as well as long-term perspectives. This would entail a study of convention infrastructure already available in the country.
-  Comparison of allied/ related conference infrastructure in major cities in India and other world destinations- highlighting learning from established/upcoming popular convention destinations in the world. Target centres for the research included 6 Metros viz. Mumbai, New Delhi, Bangalore, Kolkata, Hyderabad, and Chennai and 4 other centres viz. Goa, Jaipur, Agra, Kochi.
-  Analysis of two case studies highlighting successful conventions held in India along with two case studies of unsuccessful bids from India.

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- Developing a roadmap for ICPB for developing conventions business in India, and enumeration of roles that can be played by the government as well as ICPB and its members in developing the conventions business in India. This roadmap should highlight directions towards development of marketing processes and organisational changes that can aid ICPB in addressing the emerging issues.

1.1.2 Definitions applicable for the Study

One of the major issues about capturing information on the World Convention Industry is the lack of clarity about the exact definitions of various MICE components; as such estimates of the market vary widely in terms of numbers. The broad categorisations, which are accepted by the industry, are those of International Congress and Convention Association (ICCA) and Union of International Associations (UIA, or Union Association Internationale (UAI) in French speaking regions).

The UIA's definition of international meetings includes events organised or sponsored by 'international organisations' like non-governmental organizations (NGOs) and intergovernmental organizations (IGOs). They cover events of any size and events having a fixed city or country. In addition, the UIA definition covers meetings of significant international character organised by national organizations and national branches of international associations and which meet the following criteria:

- Minimum participation of 300
- Minimum foreign participation to the tune of 40%
- Minimum number of nationalities as 5
- Minimum duration of event as 3 days

The ICCA definition for international association meetings specifies the following criteria:

- Minimum attendance by 50 delegates
- Must be organised on a regular basis (one-time events are excluded from classification)
- Should rotate among at least 3 countries

This study has widely used the ICCA definitions. However, whenever UIA information has been used, it has been mentioned clearly. As mentioned earlier, clarity regarding definitions is lacking and even information available for this industry is collected at varying levels. While some countries make a conscious effort to segregate information on Conventions, Meetings and Exhibitions/ Trade Shows and Fairs separately, there are others who collect information under the common MICE head.

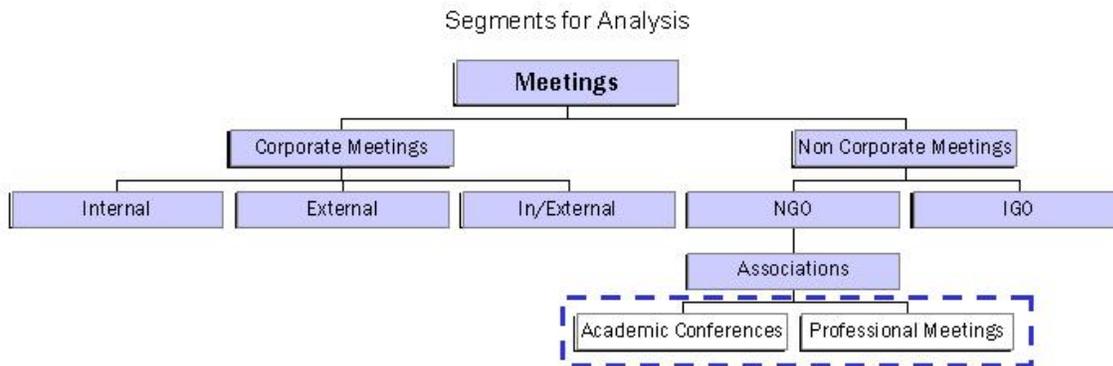
This study has tried to segregate these revenues into different segments, as applicable to Conventions and conferences market.

The definition used for national/ domestic conventions/ Conferences is slightly different from the ICCA definitions. The study has focussed on conferences/ conventions that have delegate figures of at least 100 and which have been organised by some national (or at State-level) level associations. For this study only conferences/ meetings, which take place regularly are considered. One-time events are not considered.

1.1.3 Key Segments

The following diagram captures the different segments in the Conference Industry. However, this segmentation approach is a top-down one- and can be considered as capturing the broad classification of different types of meetings, which were covered under the study. (Marked in Blue).

Figure 1: Classification of Meetings



Most associations host regular conferences/ meetings, which can range from purely academic conferences to professional meetings. Many of these meetings e.g. medical conferences are sponsored by corporates. These are either bi-annual or annual in nature and typically rotate between destinations. These can be further segregated into different industry-specific segments.

1.1.4 Methodology

The study has been based on a large number of information sources including a mix of primary and secondary sources. Primary sources mainly comprised of surveys and personal interviews with various stakeholders in the industry, whereas secondary sources included a range of information

sources, websites of various agencies, published industry data from ICCA and UIA, Journal Articles in Tourism and Hospitality management as well as several other publications in related areas.

▪ PRIMARY SOURCES:

-  Consumer Survey: A Survey was conducted among international conference visitors to India over the Internet as well as in person at several conferences in Bangalore, New Delhi and Thiruvananthapuram. A large share of the responses was, however, filled up over the Internet (web-survey) made available online to a select group (625) of international conference visitors. The focus was to understand various factors driving the choice of an international venue, specifically India, as well as expenditure patterns. This survey was also used to capture several perceptual dimensions among potential conference delegates who have not yet visited India. A total of 75 responses were used for the study.
-  Customer Survey: This survey was targeted towards organisers around the world, to gauge their expectations and understanding of India as a potential conference destination. The aim was to get a qualitative understanding of perceptual blocks as far as India is concerned. This was followed up by several interviews with individual organisers. The survey questionnaire was sent, in 3 waves, to 100 ICCA members. The response to this survey was limited, as most of them mentioned that they had no plans of hosting a conference in India. This could be attributed to the lack of awareness of convention facilities in India, or simply, apathy towards India as a convention destination. A total of 13 responses from this group were used for the study.
-  A survey was conducted among officials of Convention Promotion Bureaus and City Councils of leading international convention destinations to understand their process of marketing individual city and country locations, sources of funds and organisation structures. Executives handling marketing and promotional activities in leading destinations in Asia, Europe and North America were contacted; a brief questionnaire was forwarded to - a total of 40 executives at leading international city councils and visitors' bureaus. Respondents, who indicated willingness to contribute to the study, were contacted over phone for interviews. A total of 8 responses were found useful for the study.
-  Personal Interviews were conducted with domestic Professional Conference Organisers (PCO), tour operators and senior executives in leading hotel chains to get their views on the Indian market and suggestions for improvements. This interview also covered some of the premier ICPB Members. The primary focus for these interviews was to understand the Indian Conventions Market, how it has evolved over the past decade, and their individual views about the market development activities. Further, views were sought on their perception about the role of the government in promoting conventions as well as of ICPB, including their assessment of ICPB's performance in promotion of conventions of India. Findings of 14 interviews have been analysed for this study.

-  Personal interviews were conducted among organisers of past events, (with medical practitioners and other professionals) as well as future events about the various aspects of hosting a conference, their understanding of the impact of conferences on the local economy, help they require from a nodal body like ICPB as well as the Ministry of Tourism (. The interviews also focussed on issues and challenges faced by conference organisers and ICPB's possible role in alleviating some of them. These interviews have been summarised under the Case Studies Section of the report. Total number of interviews used for this study was 11.
-  Finally, interviews were conducted with participants at domestic conferences. These included 22 professionals including doctors, educators and business managers.

Table 1: Summary of Primary Sources Covered for this Study.

Sl No	Primary Data Collection Initiatives	Responses used
1	Consumer Survey - Conference Visitors (International Conference Attendees)	75 Delegates (Combination of Web-Surveys and Personal Administration)- individual mails sent to 625 participants
2	Customer Survey- Focussed towards International PCOs	13 (Professional Organisers)
3	Survey Conducted among Convention Bureaus and other City Promotion Councils	8
4	Personal Interviews with Domestic Professional Conference Organisers (PCOs), tour operators and senior executives in leading hotel chains	14
5	Interactions with ICPB Members	6
6	Organisers of international events	11
7	Conference participants (domestic visitors at various conferences)	22 (Doctors, Educators, and Business Managers)

▪ SECONDARY SOURCES

-  Industry Reports from ICCA and UIA as well as International Association of Convention and Visitors' Bureau (IACVB). These reports provided general information on world trends as well as specific geographical markets. Some of these reports also provided details about future market development activities for various cities in the world.
-  Websites of Convention and Visitors' Bureaus worldwide - these helped in identifying individual positioning strategies for cities as well as countries and gathering possible/ applicable insights for

ICPB in the Indian context. Some of the websites have user-friendly features, e.g. the website of Brussels City provided a detailed MICE toolkit, which could be used by a potential organiser to plan an event.

-  Journal Articles from Online Databases, e.g. EBSCO, Taylor & Francis, ProQuest, etc. on Tourism, convention and hospitality management. These articles provided insights from academic research, which had earlier focussed on various socio-economic variables for evaluating the impact of tourism on local economies.
-  Professional journals published in India, especially in areas of Pharmaceuticals, Medicine and Surgery, and Information Technology for information on upcoming/past events. A large number of conferences were categorised from the lists available in the journals.
-  Reports from the Ministry of Tourism including the International Passenger Survey (IPS), Tourism Satellite Account (TSA) study. These studies were used for insights on Business Tourism trends in India and to capture the direct as well as indirect impact of tourism on the Indian economy. The TSA methodology was adopted to assess the impact of convention tourism in the country. The analysis of this section is based on the National Income Statistics information of 2002. The International Labour Organisation (ILO) Reports on Tourism employment offered an extensive understanding of the role of tourism in employment generation. These reports have investigated the employment-related and other dimensions of tourism for Asian countries like Thailand, Singapore including Oceania.
-  Annual reports of Visitors' Bureaus as well as India Convention Promotion Bureau for comparison across contexts.

▪ ANALYSIS OF DATA

Primary data collected through interviews as well as through surveys conducted among consumers and customers, and secondary information collected from various sources, viz. journals, industry reports, websites were used in tandem to arrive at conclusions. The coded data of the International Passenger Survey (provided by the Ministry of Tourism) was analysed for understanding several trends in business tourism on the basis of which conclusions were made. The insights from the consumer survey, which was conducted among international visitors to conferences in Bangalore, New Delhi and Thiruvananthapuram along with responses from the web based questionnaire (same questionnaire was made available to respondents over the Internet) were extremely important for arriving at several perceptual issues as well as creating the Importance Performance (IP) Matrix. The Economic Multiplier Effect from Business Tourism was developed from the analysis of raw data of the IPS. Finally, the gap analysis as well as the recommendations was the culmination of the primary surveys, insights from various interviews with professional conference organisers, and eminent professionals from the various areas. The summary of the analysis is presented below:

Table 2: Summary of Analysis carried out on the Basis of primary and secondary studies.

Insight(s)	Data Source	Analysis
Trends in Business Travel	Primary Survey, Raw Data from IPS	Various Cross Tabulations and Pivot Tables were created to analyse broad trends including expenditure patterns in the business tourism market.
Perceptual Maps	Primary Survey- Consumers, Interviews with PCOs	International Consumer Survey was analysed for their perceptions of India vis-à-vis other Asian Destinations and then similar exercise was repeated for destinations within the country
Economic Multiplier Effect	Raw IPS Data (pertaining to the 2002 Information) + Tourism Satellite Account (TSA)	An extensive re-look at the I/O analysis and then analysing impact on related industries to isolate Direct and Indirect impacts
Gap Analysis	Primary Survey, Case Studies from interviews	Key variables were isolated through the consumer survey, then case studies were analysed on the basis of these parameters.
Recommendations	Primary Survey, Case Studies and Policy documents from other destinations and various analyses	Macroeconomic data was analysed for major convention destinations for comparison. Smaller economies separated from larger, more developed economies to identify clusters and map India's potential position in the medium and long term. Effect of public investments analysed with the help of research papers in related area, focussing on substitution effects of public investment.

▪ CHAPTER SUMMARIES

The rest of the report is organised in the following order:

-  Chapter 2- The World Convention Market - This chapter summarises the broad trends in the world market, which have emerged in the last few years. A detailed explanation of the bidding process is provided for better appreciation of the complexity of this process, which is extremely critical for bringing convention business into the country.
-  Chapters 3 & 4- Prominent Convention Destinations in Asia / World – These chapters provide a fairly detailed overview of 14 major convention destinations in the world including eight from Asia and six from Europe. This is further supplemented with a tabular analysis of 10 more world destinations.

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-  Chapter 5 – The Indian Conventions Industry - This chapter focuses on the emerging trends in the conventions business in our country. A detailed analysis on the basis of consumer surveys has been incorporated to understand the relative importance of several variables used by consumers in their choice of a convention destination. An entire section has been dedicated to the understanding the economic impact of conventions- to have clarity about the Direct and indirect impacts of tourism. Following this, a brief inventory of available facilities and attractions has been prepared for 10 major conventions destinations in India. The learning from the consumer surveys and interviews are summarised under the section for gap analysis.
 -  Chapter 6 titled 'ICPB – Future Directions' – This chapter utilises the conclusions from the preceding analyses to provide recommendations focusing on ICPB and the Ministry of Tourism.

2 The World Convention Market

This chapter provides an overview of the broad market trends that have emerged in the last few years by highlighting the market shifts as well as changes in customer segments. One of the key aspects of competing in the international markets for conventions is to manage the bidding process effectively. The last section of this chapter helps understand the bidding process and the dynamics of this business for marketing the services.

2.1.1 Market Overview

Worldwide, the role of tourism to jumpstart fledgling economies has been well explored; many of the smaller Caribbean nations, Mauritius, Maldives, Cyprus have proven that even with low levels of natural resources and industrialisation, countries can develop economically with the help of the tourism sector. Business Tourism is a significant part of tourism because of the greater per capita expenditures compared to leisure tourism. MICE tourism is a segment of the business tourism and conventions and meeting tourism is again a sub-segment of business tourism. Convention or Meetings Tourism accounts for approximately 20% of all international arrivals and is expected to see annual growth of 10% over the next decade. Overall planners expect the worldwide number of meetings to grow 7% in 2006 (Future Watch, 2006).

ICCA currently tracks close to 14,000 events worldwide; out of which, international meetings add up to 5,269 meetings in 2005. The market has grown from 4,500 meetings at the turn of century to over 5,269 in 2005. The US accounted for 376 of these meetings in 2005, while India bagged 47 and was ranked at the 36th position in the world. While the US attracted nearly 680,000 visitors for the meetings, India played host to 33,000 visitors in the same year. The top destinations for conventions as far as cities are concerned are Vienna, Barcelona, Singapore and Stockholm, while New Delhi hosted the largest number of meetings in India.

Table 3: Geography wise share of conventions (Source: ICCA, The International Association Meetings Market, 2005)

Continent	2000	%	2001	%	2002	%	2003	%	2004	%	2005	%
Africa	113	3%	110	2%	133	3%	126	3%	133	2%	128	2%
North & South America	913	20%	868	19%	929	19%	951	19%	984	18%	952	18%
Asia, Middle East & Pacific	888	20%	906	20%	981	20%	923	18%	1,171	21%	1,132	21%
Europe	2,579	57%	2,570	58%	2,921	59%	2,996	60%	3,188	58%	3,057	58%
Total	4,493	100%	4,454	100%	4,964	100%	4,996	100%	5,476	100%	5,269	100%

▪ MARKET HIGHLIGHTS

Till the early nineties, North America and Europe had dominated the conventions and conference markets. The US still holds the top spot for the highest number of meetings as a single country destination. However, since 1999, the market has moved towards newer destinations in Asia and Oceania. Europe accounts for the maximum share with about 57.1% of all international meetings in 2005. However, there is a constant decrease in the share of Europe, while Asia and Oceania are gaining. This growth in Asian and Australian conventions is in spite of rising concerns over future travel because of rising oil prices. According to industry experts, this steady shift in conferences/conventions venue can be attributed to the emergence of several strong Asian economies, e.g. India, China apart from Korea and Japan. The revised estimates of the Asian Development Bank indicate strong growth in the Asian economies, to the tune of 7.7% in 2006- with the larger economies of India and China growing even more rapidly, around 8-10%. This economic upsurge in these countries means that top venues in Asia, including, Singapore, Hong Kong and Bangkok have continued to outperform most other venues as far as conventions are concerned.

Medical Sciences remains a popular area for international meetings accounting for about 33.2% of all meetings. The other top sectors are Science (12.9%), Technology (8.6%), Industry (6.7%) and Social Sciences (4.2%). As far as seasonality is concerned, the industry worldwide shows seasonality, with September, October and November being the busiest periods for convention tourism. Both expenditure heads, average fees per delegate and average expenditure per delegate per meeting have hovered around USD 500 and USD 1600 for last few years. Most organisers worldwide still prefer to host meetings at Conference/Exhibition Centres (55%), Hotels come second with (25%) and Universities and others account for the rest.

Meetings and conventions offer high value added in terms of delegate expenditure and also serve the dual purpose of promoting international relations. It is a highly profitable form of tourism as most delegates are subsidized and tend to use costly accommodation and often travel before and after the event. In addition, by organising during the off-seasonal months, one can remove the seasonality effects of leisure tourism. Thus undesirable social effects of seasonal tourism such as migration, temporary employment, and job instability can be avoided. These events can also be termed as “knowledge tourism” as they promote the exchange of ideas, technology and commercial knowledge that contribute to an intangible but important source of value add to the economy of the host country. The MICE sector also helps increase local government and private sector investments that result in improvements in the general hospitality environment of the destination country.

2.1.2 Emerging Trends

 Smaller conferences- Shorter durations - The trend for smaller and shorter meetings is growing because

Companies are maintaining firm controls over their conference related spending

Time constraints result in delegates attending only those parts of conferences they really need to

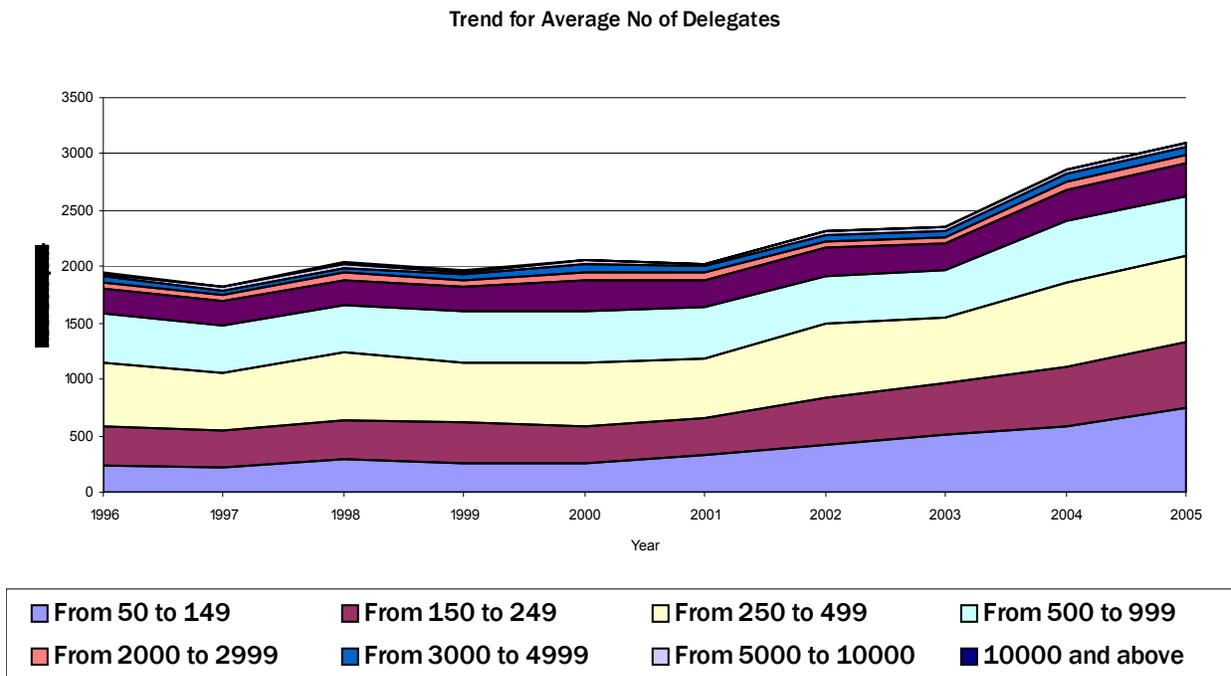


Figure 2: Size of Conference (No. of delegates) over the last decade (Source: ICCA Report, 2006)

 Frequency going up- As meetings become shorter and smaller they are also being held more frequently because:

The accelerating rate of changes in business and in society as a whole means that associations and corporations have to hold more meetings, to ensure that their members or employees can keep up with developments

The one big annual hit in the form of the yearly staff conference is no longer effective in helping companies meet their corporate objectives

 Lead Times getting shorter - Worldwide lead times are getting shorter because:

Buyers postpone committing their budgets until the last minute

Last minute booking has been facilitated by a weak hotel market in several countries and widespread availability of meeting facilities

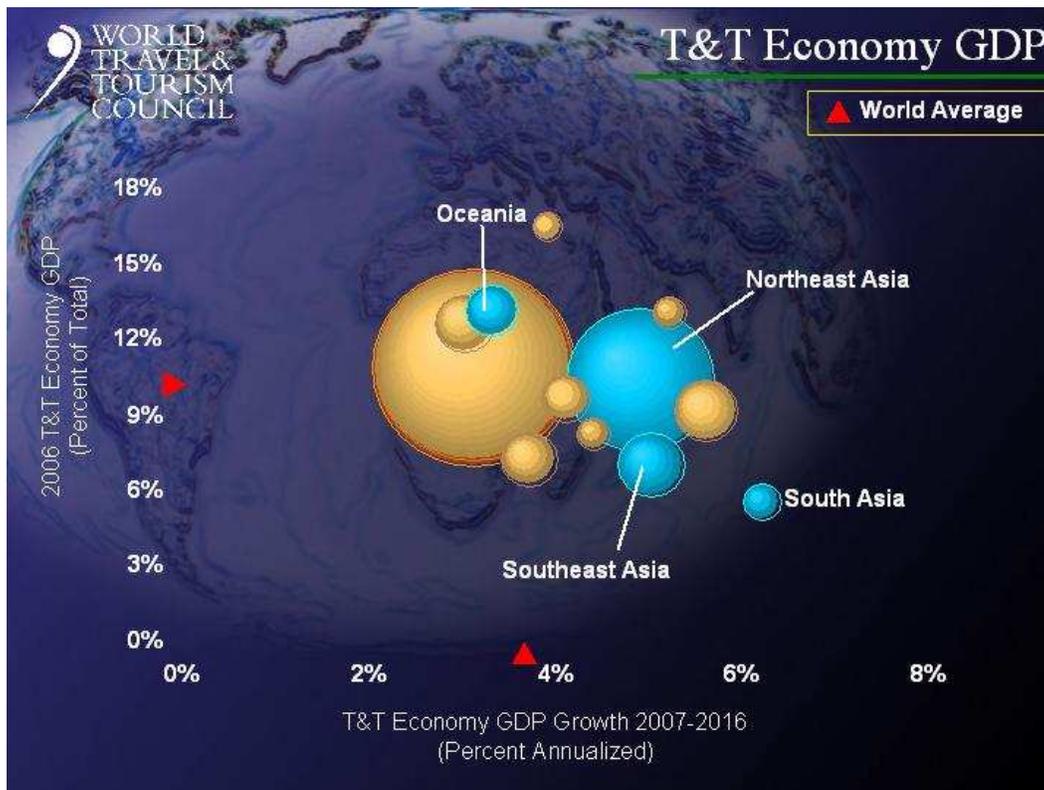


Figure 3: WTTC: Asian Economies outperform others- although Tourism Economies are small (Source: World Travel and Tourism Council Presentation)

- 🏢 Looming concerns over Terrorism - The constant threat of terrorist attacks has meant that international travel has on occasion been regarded as a disincentive rather than an incentive, so
Planners need to be convinced that a destination is safe before they begin to consider it
New forms of transport such as chartered planes are being used
- 🏢 Technology yet to substitute travel - There is no evidence as yet that new technologies such as video conferencing will reduce the number of meetings and conferences
- 🏢 Associations offer big Opportunities - Associations are becoming an increasingly important market for business tourism destinations. The value and budget of association meetings have overtaken corporate meetings

The next section maps the process of bidding for an international meeting. The process is elaborate and complex. It needs to be adhered to in great detail in order to attract conventions to a city / venue.

2.1.3 Inviting Convention Business- the Process

Most large international conventions are allotted to different destinations by rotation on the basis of competitive bidding. The entire process predates the actual event by 5-8 years and in some extraordinary cases by 10-12 years. The selection process can take close to a year and individual organisers need to put up an impressive presentation and upstage the competition in every way.

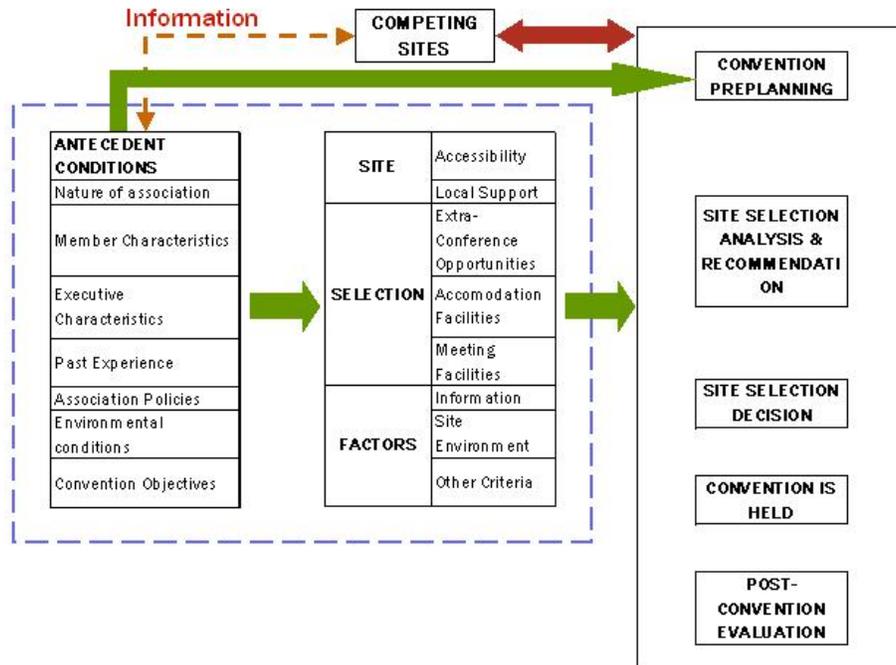


Figure 4: The Bidding Process for Conventions

KEY ASPECTS OF THE BIDDING PROCESS

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Market Intelligence- the first step of the bidding process starts with gathering information about market segments and collecting data on competitive offerings from other venues- domestic as well as international. This provides a comprehensive understanding of market dynamics, customer segments and competitive strengths and weaknesses. Often gathering historical data on similar conventions as well as association/ delegate profiles can provide interesting insights to venue managers.
- 
Understanding the Customer- the Host Organisation- this process is the heart of the convention business, understanding the rationale behind hosting a convention/ meeting and what the host organisation wishes to achieve through this event. A thorough understanding of the customers' expectations leads to better match in the bid document.

-
-  Developing a Committee- gathering necessary expertise is the key; a committee consisting of specialists (domain or industry, marketing as well as project management) needs to be formed to ascertain that a proper match is ensured between expectations and execution.
 -  Preparation of the Bid Document- the actual bid document can take any form; however, the document should be persuasive, brief, and yet comprehensive. The aspects highlighted should focus on how the host organisation would gain through a larger delegate presence and exposure in the host destination, what the venue can offer to the delegates for entertainment and as a memorable stay, and what benefit the local economy could potentially derive by hosting the meeting. A balanced view of these dimensions is expected.
 -  Site Inspection- convincing the hosts- although not explicitly stated in most cases, this aspect of the bidding process is one of the most critical- as this provides the venue manager with an opportunity to showcase his strengths, as well as convince the host organisation about the measures taken to address any weaknesses. Some of the more popular convention venues plan for periodic site inspection visits by the host organisation members to make this statement. Many venues use this opportunity to show that the government (city/ state/ national) is rallying behind such conventions, which in turn lends credibility to the venue.
 -  Bid Submission- the final bid submission for international meetings is usually attended by a team comprising of professionals, host-organisation officials and venue managers put their best foot forward for this occasion. Typically, the local diplomatic mission lends a helping hand to the delegation along with other members in the decision-making bodies.
 -  Post Bid Evaluation- this phase is involved more with following up on strict timelines for the convention, as well as regular reporting to the parent organisation body.
 -  Hosting the Convention- a successful hosting of an international meeting requires excellent co-ordination and planning among various associates; the key in this phase is to ensure that the delegates have a memorable time. Word of mouth is very critical to the long-term success of a particular venue. Visitors to prominent destinations like Vienna and Singapore have often come back with pleasant memories, which they share with other colleagues leading to the popularity of these venues.

3 Prominent Destinations in Asia

This chapter provides an overview of some prominent destinations in Asia and then the World conventions market. Among the Asian destinations, the study focuses on Singapore, Shanghai, Kuala Lumpur, Bangkok and Hong Kong, which are already established and well known in the conventions market followed by Seoul and Jakarta, which are emerging as strong contenders in the Asian market. In the world market, the top destinations include, Vienna, Frankfurt (the Trade Show capital of the world), Paris, Barcelona, and Geneva, and Stockholm, a destination that is growing in popularity. A table summarising additional ten key world destinations is presented towards the end of the chapter.

3.1.1 Singapore, Republic of Singapore

Singapore, the city-state is located at the southern tip of the Malayan Peninsula. The island has emerged as one of the most successful growth stories in the world economy. This Asian Tiger is often considered to be the financial capital of South-East Asia. The country has prospered as a business destination as well as a tourist destination, although the island is not blessed with any great natural beauty. It has become synonymous with shopping along with Dubai because of the hugely popular Singapore Shopping Festivals and a very proactive tourism promotion board. Worldwide, Singapore is viewed as a tourist friendly destination.

Suntec City, Singapore's primary Convention and Exhibition centre is one of the best convention centres in the world. Suntec City is located in the Central Business District of Singapore and occupies an area of about 12 hectares. It is an integrated MICE centre with five office towers, 5,200 hotel rooms, a shopping mall with about a thousand shops, three hundred restaurants, a theatre complex and most importantly convention space totalling about seven million square feet.

Suntec City is a case study on how to turn around operations in the MICE sector. In its early days it was not very successful at attracting potential visitors. However, it defined a niche and presently attracts 95% occupancy through its FSP (Facilities Service Provider) concept with "The Worlds Best Host" vision. This has led to multiple initiatives such as the setting up of an incubation centre for start-ups, a community web portal, car parking aesthetics, a ball room, a concourse, the largest banquet kitchen in Singapore, interpretation in 14 languages, and theatres at the bay. Individually these improvements may not amount to much, but collectively what they signal to potential customers is that every possible small little detail would be taken care of to make their stay during the conference engaging and entertaining. It is this philosophy of being a service provider par excellence that has helped Suntec to be successful in achieving a remarkable turn around.

Singapore shares the top honours in the world convention market with Vienna, having hosted 125 international meetings in 2005 and close to 50,000 visitors during international meetings. However, the number of delegates/ visitors for tradeshows and exhibitions is much larger than this figure.

Today, Singapore stands for its political and economic stability and a strong financial system, which is important in the context of the Asian currency crisis. Although the city-state suffered a decline in inbound tourism during the outbreak of SARS, it has witnessed a strong recovery in numbers in the past two years.

Although an island, Singapore is easily accessible through road and railway network with the mainland (Malaysia). Singapore can boast of a truly world-class airline, Singapore Airlines, which is extremely popular world over for its outstanding service quality. Singapore Airlines connects Singapore to a large number of cities all across the world. Changi Airport is considered by many to be an architectural marvel and can aptly be called an 'Airport City'. A number of cruises operating in the South China Sea- Japan Sea and the Indian Ocean are now currently connecting Singapore as an important destination, and bring a large number of tourists to Singapore every day.

Singapore is known for its shopping extravaganza, and a stroll on its most famous shopping locale, Orchard Street is a must for all tourists. Other shopping locations are Arab Street, Holland Village and Little India. For families, Sentosa Island offers a great getaway with children, along with a host of attractions for the international traveller. This city is also known for its restaurants and cuisines- a heady mix of Chinese, Malay, Indian and other South East Asian cuisines.

▪ RECENT CONVENTIONS

Name of Convention	Date(s)	No. of Delegates
3 GSM World Congress Asia 2006	October 16-20, '06	4,000+
GlobalTRONICS 2006	October 10-13, '06	3,000+
61 st Annual Meeting of the Board of Gov. IMF	September 14-20, '06	23,000

Source: Secondary Research involving various sources.

Singapore has hosted several large conventions focussing on the technology and retails sectors in the last few years. With the successful hosting of the IMF summit in September 2006, it has entered the sphere of Inter-governmental conventions too.

The Singapore Tourism Board or STB is considered to be one of the most proactive tourism promotion boards in the world. Apart from promoting Singapore as a great tourist destination, it also promotes the city as an attractive convention/ exhibition destination. The Singapore Exhibition and Convention Bureau (SECB)ⁱ actively promotes the city as a business destination to leading

associations and also encourages private professionals, e.g. doctors, academics as well as professional associations to bid for bringing conventions, exhibitions and trade-shows to the city. Even Suntec City offers the organising individual/ association comprehensive services, which includes bid assistance, arranging for visits of the parent international organisation officials, financial and professional assistance for preparing bids, and total event management.

Although the city is growing at the rate of 20% in terms of meetings and conference volume, it does not need capacity/ infrastructure enhancement, as the current infrastructure will be able to sustain the volumes. However, the city continues to develop new customised promotions targeted at associations and professionals with various incentives to bring their conferences to the city. The SECB offers customised support to business event organisers, corporations and associations under the “BE IN SINGAPORE” incentive scheme. This endeavour is to encourage many in the industry to develop new channels in the market for business events development, to help International Organisations who wish to establish a presence in Singapore as part of their expansion into the Asia-Pacific region.

3.1.2 Shanghai, Peoples’ Republic of China

Shanghai is the commercial hub of China. It is situated in the middle of China’s East Coastline, and is the capital city of the province by the same name. It is the most populated city in China with a population of 17.42 Million. It is the largest economic and trade centre and a comprehensive industrial base of the country. Shanghai Port is the leading port in China and the third largest in the world. It is also the largest cargo port in the World. Exports comprise mainly of machinery, electronics goods, garments and textile products and machinery and imports include electronics products, paper pulp, wool, oil products and plastics.

Shanghai, as most other Chinese cities facing the economic boom, is trying to come out from its ‘Red’ image. Today’s China, as many would agree, showcases its capitalist best, when it comes to attracting foreign investments. The City has witnessed an unprecedented boom in real estate and infrastructure related investment and this has made it attractive to foreign investors. Being the economic hub of the Chinese resurgence, Shanghai ranks high as a convention destination. According to ICCA 2005 estimates, for the future (2006-17) number of meetings, China ranks 10th in the world and Shanghai ranks 30th in the world, along with Brussels.

The Oriental Riverside Conference Centre (housed in the Hotel by the same name) is the largest convention facility in the city. The Grand Ballroom can accommodate up to 4,000 persons for a dinner and the Auditorium up to 1,000 persons for meeting, where simultaneous translation can be provided in 10 different languages. The centre also has 21 meeting rooms with capacities ranging from 10 to 300 persons, ideal for the smaller breakout sessions along with main schedule. The

adjoining hotel has 259 rooms, 4 restaurants and 3 bars, fitness facilities, along with tennis courts and a bowling alley, for visitors' relaxation. Shanghai boasts of a large number of 3-5 Star accommodations and most hotels offer very competitive rates of 250 RMB (\$42)-2000 RMB (\$250) for a night's accommodation, which offer good value for money for the international traveller. A large number of these hotels also double up as Convention and meetings facilities, and can cater to 1500+ delegates, e.g. Everbright Convention Centre and Hotel, Worldfield Convention Hotel. Over 80,000 delegates visited Shanghai for international meetings in 2005.

Shanghai is one of the most well connected cities in Asia along with Tokyo and Kuala Lumpur. Comprehensive Air, Rail and Sea routes connect it to most cities in the world. The city has its own airline, Shanghai Airlines (connecting to 27 Chinese cities), along with being a major hub of Air China - is also a Star Alliance member, which means it connects major European and North American cities almost seamlessly. This city has been a well-known port on the China Sea for several centuries. Shanghai has grown into a modern port with substantial investments from private and public enterprises. The city is also well connected to other parts of China, through an extensive network of road and rail, and air. The city's mass transit system is well developed, and the metro-rail systems enable easy and speedy transit from the airport to the city centre.

Shanghai has a number of tourist attractions with a modern flavour, like The Oriental Pearl TV Tower, Nanjing Road, Yuyuan Garden, Shanghai Museum, Bund and the famous Jade Buddha Temple. Shanghai is also a paradise for gourmets where one can taste all the different cuisines in the world. Shanghai is also known for being a 'shopping paradise' for all economic classes; with rows of shops and large modern shopping malls packed with large collections of merchandise serving as a feast to eyes, meeting the demands of different classes of domestic and foreign customers. In the recent past, various colourful festivals depicting Chinese lifestyles have been well appreciated by visitors.

RECENT CONVENTIONS

Name of Convention	Date(s)	No. of Delegates
Hong Kong University Alumni Global Convention	November 2-4, '06	600+
20 th International Project Management Association	September 25-26,'06	500+
28 th International Conference on Software Engg.	May 20-28, '06	600+

Source: Secondary Research involving various sources.

Shanghai is gaining popularity in the Asian academic research arena as a venue for technology related conferences, with delegate sizes of 600-700. Local universities play an active role in hosting conferences in Shanghai.

The Chinese government actively promotes its major cities, Beijing, Shanghai as well as Hong Kong (SAR) and Macau (SAR) for international conventions. Each city is promoted through individual city and convention promotion bureaus, which receive endowments from the government.

The past decade can be symbolised as the decade of infrastructure growth in China, with substantial investments in transport infrastructure, (roads, airports, ports) as well as real estate growth, especially quality accommodation and convention facilities. This momentum is expected to continue in the next few years.

3.1.3 Kuala Lumpur, Republic of Malaysia

Kuala Lumpur (or KL as it is popularly known as), Malaysia's capital is synonymous with the world-famous twin Petronas Towers. Again, a land of cultural mix, with ethnicities divided among Malays, Chinese and Indians, it is a hotbed of culture. Considered by many as the symbol of Asia's rising stature in world business- many visitors are in awe of the country's strong growth in manufacturing as well as service sectors. The country's market-oriented economy, supportive government policies and a large local business community that is ready to do business with international corporations have made Malaysia a highly competitive manufacturing and export base. Malaysia is slowly making its mark in the Information Technology sectors too.

Owing to the colonial presence of the British till the sixties, English is widely used in Malaysia, especially in business, which facilitates the world investors' communication with local personnel and suppliers. The various chambers of commerce and trade associations enjoy memberships of corporations from different countries. These organizations are invaluable sources for general business information, advice and assistance, and complement the role of government agencies. A well-developed financial and banking sector has enhanced Malaysia's position as a dynamic export base in Asia.

The Kuala Lumpur International Convention Centre (KLCC) is located at the City Centre, with the Petronas Towers in the background, which adds to the glamour. The total area of the complex is around 100 acres. The entire layout is divided into 4 major areas, with a total space of 9,700 square metres for exhibition and capacity to cater to 3,500 visitorsⁱⁱ. The plenary arrangements are also impressive, with a capacity of 3000 delegates in two levels. All seats are provided with advanced multimedia kits and a wide range of translations is available. An impressive set of accommodations is availableⁱⁱⁱ, either on-site at the KLCC or at walking distances from the convention centre. While 1400 rooms are available at KLCC itself, another 3700 rooms are available within small distances from the convention centre. KL hosted 38 international meetings in 2005 attracting 16,500 visitors for meetings alone.

Malaysia is very accessible through Air, Sea and Overland routes. Although Kuala Lumpur is not accessible directly by sea, the peninsular region had historically been a centre of vigorous maritime business. The country's flag bearer, the Malaysian Airlines, with a large fleet of planes connects Kuala Lumpur to most of the key destinations in the world. It is currently vying for the top honours in service quality. The Malaysian government has invested a substantial amount of money in developing world-class roads all over the country, which also help in providing access to other regional centres in the country. The city has a well-developed mass transit system similar to other major cities like Shanghai and Singapore, which enables visitors to arrive at the convention centre easily from the railway station or the airport.

As mentioned earlier, the city is almost synonymous with the Twin Petronas Towers. Visitors come to KL every year in large numbers just to have a glimpse of this architectural and engineering marvel. Genting Heights, located in the East of the city, is another crowd puller. In the city, Batu Caves, The Kuala Lumpur Bird Park (the largest aviary in the world), Merdeka or Independence Square, and Menara Tower are other attractions for visitors. Kuala Lumpur has become an attractive destination for shoppers too; the city has also launched its own version of a shopping festival. The government has also decided to ease out visa restrictions for nationals from most countries to facilitate tourist visits to the country.

▪ RECENT CONVENTIONS

Name of Convention	Date(s)	No. of Delegates
Graphite 2006	Nov 29- Dec 2, '06	300
Asian and Oceanian Epilepsy Congress 2006	November 16-19, '06	2,100
Federation of Gynaecology and Obstetrics	November 5-10, '06	8,000

Source: Secondary Research involving various sources.

The city has emerged as a strong contender for medium to large medical conferences; it has also hosted several international summits/ meeting on electronics as well as manufacturing technologies.

The Malaysian Tourism Board promotes business tourism and MICE through its convention promotion division. Although this division maintains a low profile, the KLCC actively launches various marketing programmes to promote the centre. Within a very short time, Kuala Lumpur has reached the 30th rank in international meetings.

Currently, the city has not fully utilised its available convention infrastructure. The traffic to the city is slowly building up. Recently, the Malaysian government has decided to develop the 3rd federal territory of Putrajaya in the Selangor territory as the next administrative region. The Putrajaya Convention centre is expected to boast of 135,000 square metres of floor area over nine levels with state-of-the art facilities on completion. The government is also focussing on Genting Highlands for

improving convention infrastructure. This would mean a set of 3 major convention centres around the same region.

3.1.4 Bangkok, Kingdom of Thailand

Bangkok is the capital city and the largest city in the Kingdom of Thailand. Since the shifting of the capital from Thonburi to the east bank to Krung Thep (or Bangkok) in 1782, the city has grown in importance over the next two centuries. The city was the centre of the American army build-up during the Vietnam War and since then Bangkok has adopted many American ways. The population stands at 7 million for the city proper and 10 Million over the metro area. It is one of the most densely populated cities in South East Asia and has surpassed Singapore in terms of the size of its economy.

The country was badly affected in the nineties during the Asian Crisis. However the government has taken several precautions to prevent a similar crisis. The city's real estate growth is still continuing, although at a slightly slower pace compared to the pre-Asian Crisis period. Tourism and business was further affected during the Bird Flu crisis as it hit other cities in the region. The recent crisis was a political one, a coup leading to the ouster of the charismatic Prime Minister, Thaksin Shinawatra. Though this coup could have undermined Thailand's image as a well-functioning democracy (under the guidance of the Royal crown) and a safe tourist destination, in reality, tourism was really not affected at all.

Queen Sirikit National Convention Centre is Thailand's premier exhibition and conference centre. The centre has been built to cater to national and international events and has played host to some of the biggest events ever to take place in Thailand. These include the World Bank/IMF Conference of 1991 and the 10th Session of the United Nations Conference on Trade and Development (UNCTAD X) in 2000.

Another important convention facility is the IMPACT Exhibition and Convention Centre^{iv}, a 60,000 square meter, international-standard exhibition and convention venue in Muang Thong Thani, just outside Bangkok. The centre consists of 8 halls and provides modern facilities for exhibitors and conferences. These include more than 100,000 exhibition spaces, a car park that caters to 15,000 cars and a wide range of public utilities and facilities (including multi-cuisine restaurants and other amenities). Over the last few years, the centre has catered to some of the highest profile business events staged in Thailand, including the BOI Fair, the Science and Technology Fair and Bangkok's Motor Expo.

A large range of accommodations, comprising of hotels and serviced apartments are available around the city- with 3 star accommodations available at 1300 TBT or \$30 (Thai Baht TBT~ 1.30 INR)

onwards and 5 star accommodations going up to 7000 TBT or \$180. Business visitors have a plethora of choice. Although Bangkok was well served by the city buses, the need for a mass transit system was felt, and recently the Skytrain (called by many- the 'BTS') and the metro (underground) has revolutionised travel in the city. The city has some interesting alternatives; the ubiquitous taxi is complemented by another marvel, the Tuk-Tuk. Besides these, the city's Khlongs also offer visitors an alternative mode of travel in boats and small river boats on the Chau Praya.

Bangkok stood at 16 in the world for International Meetings; the city had hosted 56 meetings and close to 28,000 visitors. However, the domestic and near East clientele is much larger. 2006 has been remarkably successful for the TCEB. During 2006, Thailand hosted 1,579 conferences, which include domestic as well as international meetings and incentives and attracted 223,752 visitors and generated TBT 1.3 billion (\$35 million) in revenues, while 143,719 visitors attended conventions held in Thailand, which generated another TBT 1.1 billion (\$28 million).

Bangkok is the one of the key tourist destinations in the region. The city boasts of one of the largest airport complexes in the world. The erstwhile primary airport, Don Mueang Airport was one of the busiest in the world and catered to 38 million passengers every year, will be used for domestic flights over a phased manner. On September 28, 2006, the new Suvarnabhumi Airport was inaugurated- however, since then it has hit upon some operational difficulties. It is considered as the pride of Thailand. This airport has a large 8,000-acre area, 2 runways and 5 concourses, and considering the other expansion projects, which are projected over the next 3-5 years; this airport is expected to build up capacity to cater to 100 million passengers every year. The national airliner, Thai Airways connects Bangkok to most prominent international destinations, and is considered one of the most popular airliners due to its high level of service quality. Low cost airliners have started operating in the Thai skies and connect other important cities in the region. Although a large number of cruises operate in the region and other destinations in Thailand, Bangkok is not on the list because of its inland location.

Most people travel to Thailand for its world-famous beaches. However, the country has many other attractions too. The city of Bangkok is famous for its temples, waterways and palaces. The world renowned Emerald Buddha (Wat Phra Kaew) is the chief attraction, apart from that, Wat Arun, Wat Pho (reclining Buddha), Wat Mahathat are other shrines worth a visit. The ancient capital of Ayutthaya (named after the Indian kingdom of Ayodhya), Thonburi and the current Royal Palace are important pieces in the fabric of Thai history. Another interesting aspect of Bangkok is the number of network of narrow canals called Khlongs connecting the Chau Praya River. Some of the more important canals have their own floating markets, which offer the visitors (and the residents along the canals) a host of culinary options in exotic food. Bangkok is a delightful city for food lovers. Its street stalls are known for their '100 Culinary Secrets' and low prices. Over the last decade, Bangkok has become known for cheap electronic goods shopping too, mostly cheap imports from China.

▪ RECENT CONVENTIONS

Name of Convention	Date(s)	No. of Delegates
7 th Asian Pacific Industrial Engg & Management	December 17-20, '06	300
International Parliamentarians' Conference (IPCI)	November 21-22, '06	300
2006 Conferences on CIS-RAM (Cybernetics)	June 7-9, '06	600+

Source: Secondary Research involving various sources.

Academic conferences form a substantial part of Bangkok's convention business. In recent times, high technology conferences have been hosted in the city. This city still remains one of the key destinations for Incentive Meetings for many corporate visitors.

The Thailand Convention Exhibition Bureau (TCEB) is engaged in promotion of conventions and exhibitions in Thailand. TCEB has launched a plan to encourage entrepreneurs and their staff. The government plans to attract 870,000 visitors and earn revenues of 59 billion TBT (\$ 1.55 billion) in 2010 through MICE business. TCEB encourages collaboration between local and foreign entrepreneurs and provides them with financial support and other essential resources. As a way of expanding into new markets and increasing business opportunities, the TCEB participates in several major events, including international conferences and industry seminars. The TCEB has joined in project bidding for 25 conferences, winning eight contracts, with another 13 under consideration. TCEB has also extended its support to 90 meetings and 75 future projects. It also organised 363 exhibitions - 241 domestic and 122 international - attended by 187,823 visitors, generating TBT1.3 billion (\$ 34 Million) in revenues.

The bureau has ambitious plans for developing human resource capabilities for catering to the MICE industry's requirement. TCEB plans to develop seminars and workshops designed for staff and entrepreneurs through collaboration with domestic and international educational institutions who can develop curricula that matched the requirements of the MICE industry. It will also offer scholarships to staff and entrepreneurs for higher studies. TCEB is looking forward to greater use of ICT and electronic media and communication tools to improve its operations and management. This will include data collection, financial management and accounting, budget management, human resources and communications management. It also plans to establish a MICE Information Research Centre, in order to provide entrepreneurs with useful information for better decision-making. Effective information and knowledge distribution will be run through a newly established call centre and the bureau's existing website (www.tceb.or.th).

3.1.5 Hong Kong (S.A.R.)

Hong Kong is a unique blend of Chinese and British legacy. The island nation was transferred from British control to China in 1997. Although the city has lost some of its sheen to other 'upstart' Asian destinations, it has managed to hold onto its unique, mystic charm that attracts visitors from all over the world. The city-state has expanded beyond its natural boundaries of Hong Kong and Kowloon Bays and reclaimed new territories from the sea. The 'City of Lights' is also known for its yearlong celebrations, shopping and dining options.

Hong Kong has been known since the late 17th century as an excellent port and harbour, which attracted many felons to its shore. Under the British, the port flourished and still today remains one of the most important ports in the world. The city enjoys excellent air connection to all major destinations in the world thanks to the services of Cathay Pacific and the recently launched services of Air China. The Hong Kong International Airport had been adjudged the best airport for the 5th consecutive time, between 2001 and 2005. Hong Kong's city transport system is considered world-class, and provides excellent mobility across the city-state.

The Hong Kong Convention and Exhibition Centre (HKCEC)^v is a modern structure, larger than any other convention centre in Asia outside Japan. This centre has five exhibition halls, two ballroom-style convention halls, two theatres, 52 meeting rooms of different sizes, and two large foyers for pre-function gatherings plus supporting amenities, which include food and beverage arrangements. Apart from this impressive structure, the city offers a wide range of accommodation and smaller conference venues (about 30,000 square metres of exhibition space and 14,000 Guest rooms), which can suit different requirements (Ref. Appendix 7.2). Hong Kong is only next to Singapore in the Asia Pacific Region, having been host to 95 International Meetings (and 60,000 participants) in 2005 alone.

Most visitors come to Hong Kong to feel the blend of the orient and occident, a legacy from its historical past. For visitors, the attractions are the memorable cruises on the South China Sea and the spectacular views of the city and the harbour, Theme parks for children, a cultural walkthrough of Chinese festivals around the year and excellent shopping and dining experience. HKTB has been actively promoting Green tourism with its focus towards environmentally conscious tourists.

▪ RECENT CONVENTIONS

Name of Convention	Date(s)	No. of Delegates
3G World Congress & Mobility Marketplace	December 4-7, '06	1,500
CASBAA 2006	October 24-27, '06	1,200+
INFORMS International Conference	June 25-28, '06	800

Source: Secondary Research involving various sources.

The Hong Kong Tourism Board (HKTB) promotes the conventions business through its MICE site^{vi}. Any organiser or association or individual planning to host a conference, exhibition or trade fair needs to fill a simple Request for Proposal (RFP) document on the website- choosing his own set of venues from Hong Kong, Kowloon and other New Territories. A number of Conference Managers, Hotels and other service providers are connected through the Web-partner program under HKTB^{vii}, who can then contact the customer with their offers. The HKTB also offers customised services to organisers to help in preparation of bids for international meetings and conferences.

The city now has a new airport and since 2002, an ambitious plan is underway to upgrade the infrastructure facilities- 1,600 projects at a total cost of about 600 billion HK dollars (77 billion US dollars) over the next 10 years, ranging from better town planning, enhancing Hong Kong's position as a transport and logistics hub, promoting tourism, and improving the environment. A cable car system linking Tung Chung and Ngong Ping was completed in 2005 together with the Disney theme park. These projects are expected to bring the less developed tourist attractions to the mainstream.

3.1.6 Seoul, Republic of Korea

Korea, the Land of the Morning Calm, has always possessed a unique charm- a global superpower in the making, yet strongly rooted to its cultural roots. Since the formation of Korea, it was the capital of the United Korea, and it has remained so, except for a small period during the Korean War. Seoul is the 10th largest city in the world with a population of 11 million and the capital of South Korea. Historically, Korea has always been under the influence of two major imperial powers in the region, viz. Russia and Japan. Following the crushing defeat of the Czarist forces in 1905 by the Japanese, Korea came under the control of the Japanese and remained so till their defeat in 1945 under the attack from Allied Forces. The post WWII period has been a blessing and curse for Korea as such- while the country was divided into American and USSR spheres of influence, into North (Communist) and South (Capitalist) Korea- South Korea has shed its feudal past and leapt into the twenty first century.

This intriguing country is considered to become one of the key convention destinations in the Far-East. Although not a traditional a tourist hotspot, Seoul has made significant progress in promoting the city as the choice destination for trade shows, exhibitions and conventions.

The largest convention centre in Seoul is the COEX convention centre. It was originally named KOEX (Korea Convention and Exhibition Centre), this building was established in 1979 to accommodate more than 100 separate conventions, exhibitions, conferences and events. In 1988, the name was changed to COEX (Convention and Exhibition Centre). This convention centre also has shops where delegates can shop for clothes, visit tailors, dine at various Korean or continental style restaurants, or can have a few drinks at one of the bars. Visitors can also enjoy latest movies at the

Megabox Cinema, which is one of the newest and largest movie theatres in the capital. A newer facility is the 5-storeyed ASEM centre. This facility, as the name suggests was built for the Asia Europe Meeting scheduled in 2000. This can seat about 6,000 delegates. The SETC, Agro-trade Centre (AT Centre) and Seoul Women's Plaza are other main convention centres.

While these are the main convention facilities, some of the top-end hotels also have banquet facilities with capacities of accommodating 500+ delegates. Seoul also has a number of top quality accommodation options around the various convention venues; the COEX Intercontinental Hotel is located right in the convention complex area. Besides this facility, there are close to 10,000+ rooms available falling under the star categories. However, room tariffs are slightly higher than in other Asian destinations- ranging from \$100- \$ 325.

Connectivity to Seoul is still a problem, considering the fact that the national carrier Korean Air does not have extensive connections to major international destinations. Most visitors have to use other airliners, which translates into a transit flight through some of the other Asian countries. Star Alliance partners like Singapore Airlines, Lufthansa, Thai Airways, Air Canada, Polish Airlines, Asiana, are some of the better options to Seoul. The Domestic airliners connect 15 cities in the country. Though there are ferries via Incheon in the west, that mode of transport is not usually used by international visitors.

Seoul blends its ancient heritage with the new economic boom almost seamlessly. The main city is surrounded by a set of inner and outer ranges- each having 4 separate mountains. The ancient royal palaces of the Joseon Dynasty viz. Gyeongbokgung, Deoksugung, Changdeokgung, and Changgyeonggung, the royal ancestral shrine of the Joseon Dynasty, along with Huwon (the Rear Garden) next to Changdeokgung are noted for their beautifully landscaped gardens and traditional Korean structures.

One of the most popular areas for international visitors, Insa-dong, which is located in downtown Seoul, is lined with antique shops, art galleries, traditional teahouses, and restaurants as well as bookstores. It is a place that beckons both casual shoppers and serious collectors.

The most important aspects of Seoul are its mass transit systems. Seoul boasts of a subway system, which is one of the most efficient subway systems in the world. It is very tourist friendly too, with English signage all around to help the international visitor. The subway criss-crosses the entire city and very few places are beyond the reach of the subway system. Supplementing this subway, is the efficient bus system, which further is classified into Blue, Red, Green and Yellow lines, catering to various routes (covering different cities, city centre to outskirts, etc.). The KTX, or the super-fast service (Korea's answer to Japan's bullet train), connects Seoul to the city of Pusan, another important convention destination.

Seoul ranks 8th in the world in terms of International Meetings, having played host to approximately 48,000 international visitors in 2005. A total of 77 international meetings were held in this city. This is the first time Seoul has featured in the list of top 10 cities in the world, and the rise has been rapid by any standard.

▪ RECENT CONVENTIONS

Name of Convention	Date(s)	No. of Delegates
VLDB 2006	September 12-15, '06	700
72 nd World Library and Information Congress	August 20-24, '06	N/A.
SportAccord 2006	April 3-7, '06	900+

Source: Secondary Research involving various sources.

One of the key aspects of the rapid infrastructure development in Seoul and Korea in general, is the proactive approach taken up by both the Korean governments. When the government decided to bid for the 1988 Olympics at Seoul, there were widespread apprehensions even among various ministries. The government pushed for Infrastructural development, which resulted in many of the forward-looking projects. The 1988 Olympics were followed by the 2002 Soccer World Cup (co-hosted with Japan) and 2002 Asian Games in Busan. These mega international events brought about the confidence, that Seoul and Korea were ready for large-scale international events. Convention centres were also planned to sustain this vision Korea as the venue for international mega-events. With the economic growth of Korea fuelling the inbound business traffic, this has become a reality.

The Seoul Convention and Visitors' Bureau (SCVB)^{viii} is a fairly new, but a forward looking organisation, which is involved in promoting Seoul conventions with large scale support from the metropolitan government of the city.

Through active intervention from Seoul City council, two more large convention facilities are expected to be completed by the year 2010, viz. the Seoul International Finance Centre and Sang-Am Convention centre. Further, under the banner of "Vision Seoul 2015," an intensive cultural enhancement project has been undertaken for establishing new arts and performance centres, promoting cultural industries and recovering historic relics. The plan includes completing construction of the Seoul Performing Arts Centre on Nodeul Island in the Han River. Construction will begin in 2008 on the facility. It will be modelled after the world-renowned Opera House in Sydney, Australia. These initiatives are expected to bring more tourism revenues to the country. The city will also erect more facilities in culturally disadvantaged areas to balance access to culture in the city, notably between the booming Gangnam (south of the Han River) and derelict Gangbuk (north of the river). An estimated 7.6 trillion Won (US\$7 billion) will be spent on the project and among its many aims will be providing financial support for aspiring artists.

3.1.7 Jakarta, Republic of Indonesia

The Republic of Indonesia has been in the news in the recent past for all the wrong reasons, first the Asian crisis, then the ouster of the Presidents Suharto and Habibie, which left the country in a crisis. The Bali bombings put Indonesia on the terrorism map. Since then, the country has never been able to come out of economic and political controversies- the country's growing pan-Islamic terrorism is also a cause of concern for many moderates in the country as well as visitors from the western hemisphere and Australia. However, in spite of these problems, the country has been trying hard to promote its leisure and business tourism opportunities. Jakarta, the capital city of Indonesia, like other Southeast Asian capitals is the ideal mix of convergence of civilisations, Chinese, Javanese, Arab and Indian along with the recent invasion of American media. The country's mixed heritage comes from its occupation by various foreign forces at different periods, Hindu, Arab, Chinese, and most recently Dutch, who departed the shores as late as 1949. Jakarta is situated on the island of Java, which has a population of 124 Million and is one of the most densely populated islands in the world.

Jakarta's chief convention facility is the Balai Sidang Convention Centre in the western part of the city. The modern convention centre offers a range of services for the business visitors. The centre has a 5,000-seat Plenary Hall, 4,000 square metres Assembly Hall (flexibility of having 3 rooms), Exhibition Halls with a combined space of approximately 9,600 square metres, and a large lobby offers organisers a plethora of choice. At present, a large number of hotels offering a wide range of accommodation are also available in the city- some of these hotels also have smaller convention halls, which cater to the domestic meetings. According to the ICCA report, Jakarta hosted 7 international meetings in 2005.

The city is accessible by Air and sea routes, from most destinations- but the accessibility is limited. A large number of flights are routed through Singapore (Singapore Airlines) and Bandar Seri Begawan (Royal Brunei) and Bangkok (Thai Airways) to these islands. The national airline, Garuda Airlines connects most of the domestic centres, as well as destinations in Australia, New Zealand, Japan, South East Asia and London/ Amsterdam in Europe. The current financial condition of this airline is critical and rising debt is a threat to the survival of this airliner.

The country boasts of a large number of isolated islands (close to 17,000 in the archipelago) many of them uninhabited. While most visitors do not venture beyond the islands of Java and famous island resort of Bali, restricting themselves to the Buddhist Temple at Borobodur and Mt. Luwu, the country has much to offer to the discerning visitor. The jungles of Borneo for eco-tourism, the gorgeous beaches, snorkelling and the Hindu temples of Bali and Java, trips to volcanoes in Java, and wonderful beaches in other exotic islands.

▪ RECENT CONVENTIONS

Name of Convention	Date(s)	No. of Delegates
Better Air Quality (BAQ) 2006	December 13-15, '06	1100
IDC Asia Pacific InfraVision Conference	November 16, '06	400
International Geo-sciences Conference	August 14-16, '06	500

Source: Secondary Research involving various sources.

Convention business is promoted through the Indonesian Trade Promotion Centre (ITPC-<http://www.itpcla.org>), however, the focus is not very strong and individual centres, especially Jakarta Convention Centre carries out its own promotional campaigns targeted towards businesses and academics at the University of Bandung. The majority of revenue for the convention centres comes from domestic organisers, as Jakarta has lost out on many of the international meetings since 1994. However, the city is showing signs of resurgence registering steady growth since 2002.

The Indonesian government has often come under attack because of its poor record as far as infrastructure development is concerned. Widespread corruption during erstwhile President Suharto's rule has often been cited as the main cause. However, the Asian Development Bank, a key stakeholder in infrastructure projects in the country, has applauded recent efforts from the federal government. As far as convention facilities are concerned, the government is planning to promote Yogyakarta, another proposed city for the development of convention facilities, although no plans have been confirmed.

3.1.8 Highlights from Asian Destinations

The analysis of prominent convention destinations in Asia helps us identify a few key success factors as listed below:

-  Destinations like Singapore and Hong Kong are currently at the top of the world market, as they have managed to merge the best of both worlds- the meticulous planning of the western world, with the courtesy and hospitality of the eastern world.
-  Most Asian destinations were primary tourist destinations, which later developed into large economic centres and the convention business was developed around this economic development. Yogyakarta (Indonesia) and Putrajaya (Malaysia) are two exceptions, where two cities are being developed to cater to the conventions market, unique in the Asian context.
-  Convention & Visitor Bureaus from cities like Seoul, Hong Kong and Singapore are extremely proactive, and they work closely with various government agencies to provide a delightful experience to its visitors.



Cities like Shanghai and Hong Kong have taken the top down approach of building convention infrastructure in the respective locations- following the European model of development; since the infrastructure has been developed to a substantial level already in these cities, one would witness more aggressive marketing in the near future for the utilisation of these facilities. While Cities like Singapore, Bangkok and to some extent Kuala Lumpur have adopted the Public-Private partnership model.

4 Prominent Non-Asian Destinations

This section highlights some of the popular European convention destinations in the world. A brief summary of other popular destinations across the world is provided at the end of this section (and in Section 7.1.9, Table 20).

4.1.1 Vienna, Republic of Austria

Founded way back in 500 BC as a Celtic settlement, Vienna emerged as a flourishing European city in the thirteenth and fourteenth centuries. Since 1805, Vienna has been the centre of European politics and hosted one of the most significant conferences in history in 1815, which was subsequently known as the “Congress of Vienna”. It had become the seat of power of the Austro-Hungarian Empire and following its fall became the capital of the new state of Austria. For a brief period, it lost its glory under the Anschluß (or Union) with the Third Reich and the capital of All Germany was shifted to Berlin. However, since the end of WWII, Vienna has regained not only its glory as the political capital of Austria, but also as the artistic and cultural capital of Eastern Europe. Due to its geographical position, it has been the melting pot of West European, Caucasian, Turkish and South Slavic cultures.

The last few decades have seen Vienna taking up a more moderate political role, trying to strike a balance between the capitalist Western Europe and its eastern communist neighbours. This in turn meant that Vienna received its share as a ‘neutral’ venue for various political and industrial events during the WWII era.

The chief convention centre in the city is the Reed Exhibitions Messe Wien Congress Centre. The capacity of the Congress Centre is quite impressive, with some 54,000 square metres of space across the 4 Halls^{ix}. Apart from these halls, the site also offers large exhibitions spaces. Apart from the Messee Wien, there are other large centres like the Austria Centre Vienna^x, Hofburg Kongresszentrum Wien, Hofburg Redoutensäle Wien, Wiener Stadthalle all offer flexible space for exhibitions /trade shows as well as conferences/conventions. This inventory of convention centres is further supplemented by a large number of top hotels in the city- inside as well as outside the city centre, which can also host conferences of medium sizes, comprising of 300-500 delegates. A network of 300+ hotels in the city, also ensures that international visitors can have adequate choice as far as budget and comfort options are concerned.

According to ICCA 2006 report, Vienna tops the world list of convention destinations with 129 international meetings (a significant 20% increase over 2004), attracting over 76,000 visitors. In terms of number of visitors, Vienna came in second to Paris.

Vienna is well connected through all major hubs in Europe; North American passengers can reach Vienna easily with a small stop over at Amsterdam, Paris, Frankfurt or Milan. Because of the Schengen agreement shared by 15 nations in Europe for unified visa regulations, visitors can travel within these countries easily, which has encouraged visitors to visit these countries. Most Star Alliance Airline partners connect Vienna- apart from the National Air, which has Vienna as its hub. As far as Rail connections are concerned, Vienna is again well connected to all major cities in Europe. European roads are well developed, which also facilitates connectivity between major cities in Western Europe.

The chief attraction of Vienna is the Imperial Hofburg Palace, seat of the Habsburg Empire. Other important attractions are the baroque Schönbrunn and Belvedere Palaces along with Sisi Museum, The Spanish Riding School, where one can witness the elegance of the world-renowned Lipizzaner horses. The city council offers a 72- hour Vienna Card priced at €16.90 or \$22 (or Vienna Ala Carte), where visitors are offered unlimited access to all public transportation as well as special rates (discounts or free access) for museums and other venues (numbering 210). For Music and art lovers, the cities galleries and theatres offer a splendid fare- chief attractions being Wiener Konzerthaus, Volkstheater Wien, Die theatre Wien, Museum of Fine Arts, Liechtenstein Museum, Austrian Gallery in the Belvedere Palace, etc. Vienna is also known as the Coffee Capital of the world, coffee lovers from all over the world congregate here for enjoying the ambience in this city.

The city's local transportation network of buses, trams and trains (U-Bahn, S-Bahn and Lokalbahn), called Wiener Linien offer comprehensive access to all major venues in and around the city.

▪ RECENT CONVENTIONS

Name of Convention	Date(s)	No. of Delegates
HP Software Universe 2006	December 12-15, '06	N/A
FENS Forum 2006 (Neurosciences)	July 8-12, '06	5,000
6 th European Congress against Epilepsy	May 30- Jun 3, '06	3,000

Source: Secondary Research involving various sources.

One of Vienna's specialities is medical conference; apart from that, the city regularly hosts a mix of academic, high technology and travel meetings/ conventions.

Vienna Convention Bureau (VCB) has been very active in promoting the city and its convention centres in the last decade or so, registering strong growth from 49 meetings in 1997 to 129 in 2005. The Vienna City Council and the Vienna Chamber of Commerce support the promotion bureau financially. The proceeds from various conferences/ Conventions organised at the city are shared by VCB. Additional funds come from various sponsorships. The team is organised across various

regional markets where VCB promotes its services, though mostly in Europe, some effort is also focused towards North American countries, especially USA and Canada.

Fortunately, the city has a surplus of convention related infrastructure, be it convention centres or hotels or in terms of accessibility to the city. Rail connections to the city are currently under focus, because of its location in the eastern part of Austria, accessibility has been a problem through non-Schengen countries, e.g. Czech Republic or Poland. The recent inclusion of these countries under the extended Schengen policy would facilitate smooth traffic into the city.

4.1.2 Frankfurt, Federal Republic of Germany

Frankfurt was an early Celtic settlement. During the thirteenth century, this city became powerful as a Reichsstadt (Imperial City) and as such free of control from any of the smaller Germanic principalities. This status allowed Frankfurt to flourish as a major centre of trade and commerce- its strategic location on the bank of river Main also allowed its easy access to other major trade centres in northern Germany.

Frankfurt is the fifth largest city in Germany. All over the world it is commonly known as "Frankfurt" although its full name is Frankfurt am Main. The city is the largest financial centre of Germany. This is one of the top cities of the world. The financial capital of Germany, Frankfurt is often called by the nicknames "Bankfurt" or "Mainhattan" because of its skyscrapers. Over 325 banks are located in Frankfurt. The Frankfurt Stock Exchange is one of the world's most important exchanges. Frankfurt International Airport is among the three busiest airports of Europe. In the new Euro economy, Frankfurt plays an important role- it is the home of the European Central Bank (ECB). Finance, Trade Fairs and Transport are the three pillars of this city's economy. Frankfurt's Fair and Exhibition Centre is one of the largest trade fair centres in the world. About 40 trade fairs are held here annually. Frankfurt plays host to about 16 of the world's most important trade fairs^{xi}.

Frankfurt can be called the Trade Fair capital of the world. Every year, this city hosts some of the largest fairs in the world; viz. Internationale Automobil Ausstellung (International Motor Show) and the Frankfurt International Book Fair have 100,000 visitors every year. Other large shows include the LinuxWorld Conference & Expo or Musikmesse Frankfurt. The Messe Frankfurt GmbH^{xii} is one of the largest convention centres in the city. It holds close to 100 large international trade shows/ convention every year. In order to cater to this huge visitor traffic, close to 100 hotels are situated in the vicinity of the convention centre. There are close to 150 convention centres in the city with different capacities, ranging from 400 to 15,000 visitors.

Being a key financial destination, Frankfurt has a vibrant business tourism industry, in addition to convention traffic. Because of thriving trade, the city has a large number of quality hotels in a wide

range of prices. Frankfurt also can boast of one of the largest mass transport systems in the world, the RMV or Rhein-Main- Verkehrsverbund. The city's main station has been developed recently to receive trains from all over the country and other major cities in Europe. The city also has an efficient subway system, the S-Bahn and the U-Bahn- and the Straßenbahn Trams which ply in and around the main city.

Frankfurt features much lower (77th in the world) in the ICCA Rankings (2006) for International Meetings; however, it is one of the largest destinations as far as Trade Fairs are concerned. In 2005, the city had 2.72 million visitors.

Frankfurt is a major international airport and the second or third busiest airport in Europe, after London's Heathrow and Paris' Charles De Gaulle airport. It also features in the world's top ten servicing 304 destinations in 110 countries around the world. Germany's national carrier, Lufthansa has its hub in Frankfurt for all its flights. The city has another secondary airport, the Frankfurt Hahn Airport, which is somewhat far away (120km) from the city centre. The central location of this city in Europe also makes it easily accessible by road and rail as well as water.

Frankfurt has its share of famous and awe-inspiring historical and modern structures. Some of the historical tourist attractions of Frankfurt are the Archaeological Gardens and Emperor's Hall inside the Roemer. Some modern tourist attractions of Frankfurt are the Banking District and Commerzbank Towers. The city has a number of museums offering a glimpse into its culture and heritage. Some of the local history and culture museums that one should take the time to visit are Göthehaus, Heinrich-Hoffman Museum, and Possman. Göthehaus is the house in which Johann Wolfgang von Göthe, the noted German novelist, lived from 1749 till some years later.

▪ RECENT CONVENTIONS

Name of Convention	Date(s)	No. of Delegates
Pension Fund Investment World Congress	December 12-14, '06	600
BIO-Europe 2006	November 6-8, '06	1850+
International PHP 2006 Conference	November 5-8, '06	500 (approx.)

Source: Secondary Research involving various sources.

Being the financial capital of Western Europe, the city attracts a large number of conferences related to banking as well as investments. These range from being purely academic conferences to congregation of large corporate entities. Larger (800+ delegates) medical conferences are also hosted in the city; apart from these, the city hosts a large number of trade fairs and exhibitions every year.

The Frankfurt Congress Bureau facilitates the management of requests from potential organisers; along with selection of venues/ hotels and supporting the professional convention organisers with analysis of guest data- so that they can position their offering in a more professional manner.

4.1.3 Paris, Republic of France

Paris is the capital of the Republic of France and the cultural and fashion capital of Western Europe and for many, of the world. It is considered to be one of the most romantic destinations in the world. The city derives its name from the Gallic tribes who settled there, although during Roman times it was known as Lutetia. Today it is the hub of France's economic activity and the largest city in France. Since the 1970s, many inner suburbs of Paris (especially the eastern ones) have experienced de-industrialization, and the once-thriving cities have gradually become crowded with immigrants and plagued by unemployment. At the same time, the City of Paris (within its periphery ring) and the western and southern suburbs have successfully shifted their economic base from traditional manufacturing to high value-added services and high-tech manufacturing, generating great wealth for their residents whose per capita income is among the highest in Europe. The resulting widening social gap between these two areas and communities has led to periodic social unrest since the mid-1980s, such as the 2005 riots which largely concentrated in the north-eastern suburbs.

A large number of high-end Parisian hotels have large convention facilities, viz. Concorde La Fayette, Accor Paris, Club La Fayette, Club Montparnasse offer convention spaces as well as meeting facilities. Under the Parc Des Expositions programme, several exhibition centres have been constructed around Paris and other major cities in France. The Paris Nord Villepinte is located close to the CDG Airport as well the Le Bourget Airports, and is only 20 minutes away from the city centre, for travel by the Regional railway lines (RER). This facility can handle domestic and international professional events, such as trade shows, fairs, and corporate events (conventions, seminars, workshops, forums, product launches, etc.). Another key feature of this centre is that around 10,000 rooms are available within a distance of 5 minutes from the site, out of which 4,000 are of 4-star standards. Visitors can have options of choosing between large hotel chains as well as private hotels. A further 12,000 rooms are available if one looks over a 20 kilometre radius.

The Charles De Gaulle (CDG) Airport at Paris is one of the busiest Airports in Europe and in the world. The French national carrier Air France connects a large number of International destinations. Besides, various Star Alliance Airline partners have easy access to all corners of the world and large number of flights is routed through CDG. Orly Airport handles only a small number of international flights and mostly used for domestic connections. Apart from the airline connections, Paris is well connected by rail and roads. Most Western Europe capitals are connected to Paris via Thalys, Eurostar and Inter City trains.

Paris has a large number of attractions; this city is packed with sights to see and things to do. The city's chief attractions are the famous Eiffel Tower, Arc De Triumph, Louvre Museum, Les Invalides, Grand Palais, Petit Palais, Sacré Coeur and host of others. High-end shoppers flock to Champs-Elysées, which offers a range of brands from all over the world, and Montmartre, huddled in the crowded immigrant districts offers shopping experience with a difference. For others, the lazy lifestyle of Paris, roadside artists hold a different charm- for everyone, there is something in Paris. The magnificent palace of Versailles is located only a few kilometres from the city centre of Paris.

In 2005, Paris hosted 91 international meetings according to ICCA reports- it had the largest number of visitors- higher than Vienna, a total of approximately 79,000 for these meetings. This figure does not include visitors for the other trade shows and fairs that took place in the city.

▪ RECENT CONVENTIONS

Name of Convention	Date(s)	No. of Delegates
World Free Zone 2006	December 12-13, '06	400+
EURO-BIO 2006	October 25-27, '06	700+
WI-MAX Summit 2006 + SIP Conference	February 21-24, '06	400+

Source: Secondary Research involving various sources.

The city hosts a large number of Conferences with Social Sciences and Cultural themes, as well as conventions and conferences focussing on technology and world economy themes. Some software and hardware related conferences, which rotate across European cities also form a significant part of the number of events.

The Paris Convention and Visitors Bureau is a not-for-profit association whose main sponsors, the Paris City Council and the Chamber of Commerce and Industry, give their active support to the promotion of the capital. The city council also works closely with various stakeholders, Hotels, venues as well as professional organisers to prepare proposals and submitting to potential customers.

Currently, the focus is not on developing convention infrastructure, as most of it is already available. However, the Paris city council is planning for a more proactive role of the chamber of commerce as well as the council to promote the convention business. The latter has traditionally been more keen to promote the city for the tourism in general, rather than convention related tourism specifically.

4.1.4 Barcelona, Kingdom of Spain

Barcelona is the second largest city in Spain and the capital of the province of Catalonia. There are legends associated with the birth of this city. One of them attributes the foundation to the Carthaginian dynasty, by Hamilcar Barca, father of the great Hannibal in 3rd century BC. The city boasts of a rich cultural heritage, a 2000 year history and has been the centre of Catalan struggle against the Habsburg/ Spanish sovereignty. Although in the past the city has witnessed some bitter words being exchanged between Madrid and Barcelona, both parties have managed to tone down the rhetoric in the recent years. This city is also famous for its education institutions as well being the Airbus manufacturing hub for Spain.

The Barcelona International Convention Centre (Centre Convencions Internacionale Barcelona) is currently one of the largest facilities in Barcelona. The current available exhibition space in this centre is around 11,200 square metres and houses about 4,000 to 5,000 delegates. There is a cluster of meeting halls, which offer capacities from 60 to 700 delegates. There are close to 25 other smaller convention facilities, which offer facilities catering to 250-1500 delegates. Around the convention venue, there are close to 7,000 3-5 Star rated hotel rooms.

According to the ICCA 2006 report, Barcelona ranks 3rd in the world as far as the number of meetings is concerned, with close to 42,000 visitors for these meetings.

Barcelona is served by El Prat International Airport in the town of El Prat de Llobregat, about 3 km from Barcelona. It is the second-largest airport in Spain and the largest on the Mediterranean coast. The total number of passengers in 2005 was 27 million and it is expected to go up to 30 million in 2006. The airport is connected to the city by highway, commuter train and scheduled bus service. The Sabadell Airport is a smaller airport in the nearby town of Sabadell, devoted to pilot training, advertising flights, Aerotaxi and private flights. Some low-cost airlines, like Ryanair and Martinair, prefer to use the Girona-Costa Brava Airport, situated about 100 km to the north of Barcelona. Spain's national carrier, Iberia connects some of the North American destinations directly to Barcelona or via Madrid. The Barcelona - Madrid air route, called "Puente Aereo" (or Air Bridge), is the busiest in the world. However, international connections to this city, needs to be developed in the long run if the convention business is expected to grow at double digit rates. Barcelona is a major hub for RENFE, the Spanish state railway network, and its main suburban train station is Sants Estació. The AVE high-speed rail system has been extended from Madrid to Lleida in western Catalonia, and is expected to reach Barcelona by 2007. RENFE and the Ferrocarrils de la Generalitat de Catalunya (FGC) run Barcelona's efficient commuter train services.

The most important attraction of Barcelona is the Sagrada Familia, designed by the architect, Antonio Gaudi. It has been under construction since 1882, and it is estimated that this giant temple

would take another 30-60 years to complete. This structure attracts close to 2 million visitors every year. Another attraction is the Poble Espanyol de Montjuic- which is a small village, which has a cluster of houses depicting different Spanish styles. Other main tourist spots are; The Barcelona Aquarium, Casa Mila, Barcelona Museum, Picasso Museum, etc.

▪ RECENT CONVENTIONS

Name of Convention	Date(s)	No. of Delegates
EIBTM	November 28-30, '06	4,000+
e-Challenges 2006	October 25-27, '06	650
ACTE.org	October 22-24, '06	1,000+

Source: Secondary Research involving various sources.

The city hosts a large number of academic conferences, with themes ranging from Management research to manufacturing technologies. Further, the city hosts the annual EIBTM Conventions attracting a large number of exhibitors and delegates from the conventions fraternity- making it a default hub of congregation for professionals in this industry.

The Barcelona Convention Board (BCB) was founded in 1983, one of the pioneer institutions in Spain. The agency actively promotes Barcelona as a key convention destination. Currently, this association has close to 300+ members. The funds for running BCB (close to € 2 million) come from membership fees from members (20%) and Turisme De Barcelona (80%). A significant portion of these funds (about 50%) are spent on promotional activities as well as training for personnel.

The Barcelona International Convention Centre (CCIB)^{xiii} is expected to be further developed in the near future. The Convention Centre is a 67,000-square meter building. It will have the capacity to hold congresses of up to 15,000 people. The modified CCIB auditorium, with a capacity for 3,200 people, will be located in the Forum Building. Both buildings will be connected by a 20-meter-wide underground walkway. The French company, Générale Location, which already operates various congress centres in France, will operate the CCIB. The Convention Centre will fill the city's former shortcomings in the sphere of congresses, as its capacity will make it the largest in Southern Europe. In the past, Barcelona only had centres with a capacity for up to 4,000 people.

4.1.5 Geneva, Swiss Confederation

Geneva is the capital and main city of the Canton of Geneva, which is part of Swiss Confederation. This canton is one of the French speaking cantons in the confederation, situated at the bank of the Lake Geneva. Its close geographical proximity to France meant that its internal politics was regularly affected by French designs- and the last incursion was during Napoleon's time, when this city came under French rule (till 1815). However, since then this city and Switzerland, in general, has maintained the stance of neutrality- because of which the country escaped the destruction during the two World Wars. This neutrality proved to be a strong case to base most of the United Nations' offices out of Geneva and Switzerland. Every year, Geneva and various cities in Switzerland host conferences of great international importance.

Geneva's main Convention and exhibition centre is the PALEXPO^{xiv} centre, a 10km travel from the Geneva city centre with direct access from the international airport as well as the railway station. Other European visitors can access this centre on road, as this is located on the road network connecting Italy, France, Spain and Germany. It has 100,000 square metres of exhibition space and conference facilities for a delegate size of 4,800. Along with 7 restaurants and 8 snack bars in the complex, around 1,500 hotel rooms are available within walking distance from the convention centre. For visitors driving to the exhibition crowd, 4,500 parking slots are readily available and another 3,500 peripheral slots can be made available. Next to the PALEXPO, the Geneva Arena is another conference venue with a capacity of 6,500 delegates. In 2005, the CICG (International Conference Centre, Geneva) was reopened; this centre has a capacity of around 2,200 delegates making it ideal for medium sized congress/ seminars. Other smaller but more exotic conference locations are Cartigny Meeting Centre, Interprofessional Centre of Geneva (CIP), Chateau De Bossey, Domaine De Chouilly, Forum Geneva, and a host of others.

Geneva international airport is connected to major international destinations by 40 airliners. Almost all major airliners connect via Charles De Gaulle (Paris) or the Zurich Airport. The national carrier Swiss also connects Geneva to some of the North Atlantic destinations. Intercity trains connect various locations in France and Italy for the convenience of International passengers. Since Switzerland is not part of the Schengen agreement, separate visa procedures need to be taken care of. However, most European residents can freely travel in Switzerland.

Geneva is famous for the Red Cross and Red Crescent Museum and many other smaller attractions. Cathedral of St. Peter is one of the historic sites, where John Calvin delivered his sermons in the mid 16th century. Other than these, Jet d'Eau (Fountain of Water), Maison Tavel, Museum of Art and History, and of course Lake Geneva are some of the not-to-miss items on every tourist's list.

The city's public transport systems, comprising of trains, buses and Lake Boats are extremely efficient and provide widespread access to all corners of the city. Although the current ICCA report in 2006 ranks Geneva 21st in the world in terms of international meetings (38) and 24,000 visitors, it does not reflect the real picture as Geneva consistently hosts many of the important UN level summits as well as key World Organisation summits.

▪ RECENT CONVENTIONS

Name of Convention	Date(s)	No. of Delegates
EGP for a Greener Europe	October 13-14, '06	600
EERA/ ECER	September 13-15, '06	450
International Society for Clinical Bio-statistics	August 27-31, '06	500

Source: Secondary Research involving various sources.

Geneva is known all over the world for the large as well as high profile Inter-governmental Meetings. However, the city also hosts a large share of smaller (400-500 delegates) Information Technology, Medical as well as banking/ finance/ investments conferences and meetings.

The Genève Tourisme bureau has recently changed its name to Genève Tourisme et Bureau De Congres to indicate its commitment to the promotion of conventions in a greater manner. The funds for running this organisation are collected from membership fees from stakeholders as well as a revenue share from events. The bureau works closely with the various convention centres, hotels and other agencies to offer the potential organiser a best possible value. The current budget of this bureau is close to € 2 million or CHF 3 million, a large portion of these funds goes to preparing collaterals for tourism/ convention customers as well as other promotional activities.

4.1.6 Stockholm, Kingdom of Sweden

Stockholm is the capital of the Kingdom of Sweden and the largest city in the country. This city was founded across numerous islands joined together by man-made bridges. Some estimate the number of islands to be close to 100,000, which were formed mainly because of glacial movement during the ice ages. When the glacial ice melted, these islands formed an archipelago, on which Stockholm has expanded. It was known since the 12th century as an excellent port and harbour, and as Sweden emerged from the shadows of Denmark as the dominant Scandinavian power, Stockholm's fortunes soared. Today, Stockholm is one of Europe's leading economic regions with its high concentration of information technology, health care industry and research.

Stockholm International Fairs (SIF) is one of Europe's largest convention centres with capacity for conventions with up to 25,000 delegates, offering the latest in modern and flexible facilities and advanced technology. This conference centre has excellent public services. There are 7 restaurants with seating capacity for 2,000 delegates. There are 50 conference rooms, with capacities ranging from 150 to 3,000 delegates in each room. The total exhibition space available is 56,000 square metres. Its proximity to the city centre (15 km, 10 min by train) enables visitors to avail of accommodation facilities ranging from €50-€200 (SEK 450-1,800). Stockholm Globe Arena is another convention centre, although much smaller compared to the SIF; this centre offers a range of conference options, with various sizes. A host of other star level hotels as well as the Arlanda Conference & Business Centre (located close to the Arlanda Airport) have a range of conference facilities, which can cater to 100-800 delegates.

Stockholm's Arlanda Airport is the hub for most Scandinavian airliners; some of the low cost airliners too use this airport. The airport is located 42 kilometres from the city, but is well connected by the Airport train service, as well as a bus service to the city centre. The city has two other airports, the Skavsta and the Vasteras Airports, which cater to other low cost airliners as well as private chartered flights. For visitors travelling over the Baltic Sea, there are ferry options for Stockholm, from Finland, Estonia, Germany and St. Petersburg in Russia. Regular ferries and cruise stop at Stockholm. Scandinavian railways networks are extremely well integrated and visitors can avail of the Eurorail connections to reach Stockholm.

Stockholm has one of the best-preserved medieval city centres in Europe, Gamla Stan, or the Old city of Stockholm attracts the largest number of visitors. The changing of guards at the Royal Palace is also unique, although not as well managed compared to the English experience. Other chief attractions include several museums, notable among them are the Vasa Museum and National Museum, a large part of Sweden's history is linked to the flourishing maritime trade and understandably many maritime historians flock to Stockholm to see these treasures.

The city's excellent local transport infrastructure, the city's subway (Tunnelbana) systems are one of the most extensive (with 110 kilometres of track and 100 stations) in the continent. Apart from these, there are local buses and trams, which criss-cross the city, and most parts of the city centre and the archipelago are accessible to public transport. The local commuter trains merge seamlessly with the Tunnelbana, making it convenient for most travellers from suburban regions. Visitors to the city can also opt for the Stockholm card, which allows unlimited access to public transport for a fixed number of days.

▪ RECENT CONVENTIONS

Name of Convention	Date(s)	No. of Delegates
Internet Marketing Conference 2006	November 30, '06	500+
Conference on Environmental Law & Justice	September 6-9,'06	350
European Association for Urban History	Aug 30- Sept.2, '06	300

Source: Secondary Research involving various sources.

A large number of conferences and meetings related to Management Research Social Sciences, Art Movements and other cultural themes are hosted in the city. In recent times, a small number of high-technology conferences were hosted.

One of the key highlights of the Stockholm Convention promotion Bureau is that unlike its counterparts, it is largely a privately owned Professional Conference Organiser. The company is owned by MCI SA of Switzerland (2/3rd), Stockholm City Conference Centre and Stockholm International Fairs. The company, set up in 1971, has been promoting the city and its available inventory of convention facilities to a number of customers. The very fact that the majority stakeholder MCI is one of the world's leading companies in the field of association, communications and event management, with presence in 14 countries has also helped the cause.

Table 4: Summary of Key Asian and European Destinations from this Section. (High-Medium & Low rankings are based on secondary research)

City, Country	Location & Political Environment	Tourist Attractions	Accessibility	Convention Facilities	Govt. Policy	Recreational Facilities	Availability of Affordable Accommodation
Singapore, Singapore	High	Medium	High	High	High	High	High
Shanghai, PRC	Medium	Medium	Medium	High	Medium	Medium	High
Kuala Lumpur, Malaysia	Medium	Medium	High	High	High	Medium	High
Bangkok, Thailand	Medium	High	Medium	High	High	High	High
Hong Kong SAR, PRC	High	Medium	Medium	Medium	Medium	High	High
Seoul, Korea	High	Medium	Low	Medium	Medium	Medium	Low
Jakarta, Indonesia	Medium	High	Low	Medium	Medium	High	High
Vienna, Austria	High	High	Medium	High	High	High	Medium
Frankfurt, Germany	High	High	High	High	High	High	Medium
Paris, France	High	High	High	Medium	High	High	High
Barcelona, Spain	Medium	Medium	Medium	High	High	High	Medium
Geneva, Switzerland	High	High	Medium	High	High	Medium	Medium
Stockholm, Sweden	High	Medium	Medium	High	High	High	High

4.1.7 Other World Destinations

City, Country	Location & Political Environment	Key Tourist Attractions	Accessibility	Convention Facilities	Govt. Policy
Birmingham, UK	Medium	Low	Medium	High	Medium
New York, USA	High	High	Very High	High	Medium
San Francisco, USA	High	High	High	High	Medium
Vancouver, Canada	High	Medium	Medium	High	Medium
Toronto, Canada	High	Medium	Medium	Medium	Medium
Sydney, Australia	High	High	High	High	High
Melbourne, Australia	High	High	High	Medium	High
Dubai, UAE	Medium	High	High	Medium	High
Johannesburg, South Africa	Medium	High	Medium	High	High
Durban, South Africa	Medium	Medium	Medium	Medium	High

4.1.8 Highlights from Non-Asian Destinations

The analyses of all major international destinations help us conclude that the success of these venues stems largely from the following factors:

-  High level of focus in terms of developing Infrastructure for Convention facilities, often leading the actual trend- e.g. Vienna had invested heavily in convention facilities, even when the market was nascent. While a few of the important convention destinations are well-known tourist hotspots, most of them have been developed as stand-alone convention centres.
-  Very proactive City promotion bureaus- professionally managed, high quality of Collateral material prepared by professional agencies and employs a full-time market development team, e.g. Brussels, Vienna and Barcelona (Works with prominent Business Schools to train its team of professionals).
-  Greater access to funds from City Councils- and other members- available funds are close to Euros 1.5 to 2 million for each bureau. This enables the bureau to have access to professionals as well as developing high-quality collaterals. Funds generated by the Bureau can come from conventions facilitated by the bureau itself, thus it has incentive to develop the convention market- (e.g. Vienna- where a share of the tax revenues from conventions held in the city are used by the bureau for promotional activities). This enhances accountability as well as generating necessary funds for developing the target market.

-
-  In all the locations, local transportation is well developed as well being well-integrated- visitors can choose between an extensive network of Trains, Trams, buses or the Subway systems. Most of the popular European destinations offer a CITY Card, which allows visitors unlimited travel on any mode of public transport for a fixed number of days, which is extremely convenient for the business visitor/ tourist alike.
 -  Stockholm Convention Bureau (StoCon) is an interesting example, where this bureau is run as a professional conference organiser company. However, this City council also plays an active role in its board- Public-Private partnership.

5 The Indian Conventions Industry

5.1.1 Market Overview

The Indian Convention Industry is currently at a nascent stage, contributing only a small proportion of the world conventions business. In terms of number of meetings, India has a share of 1% and in terms of delegate arrivals/ participation, 0.7% of the world figures. In terms of revenue figures, due to lack of agreement on the definition of conventions and conferences as well as absence of records, it is quite difficult to assign a value of this business in the national context. However, this study has tried to cover broad categories and segments of conferences taking place and the rough estimates peg the revenues between Rs. 4,000 & Rs. 5,500 Crores annually (for calculation, please refer to Appendix 7.1.6). According to TSA (2006), the entire tourism sector contributes to approximately 2.2% to the GDP and convention tourism business in turn contributes 5-7% of the tourism revenues. Although this figure of 5-7% is at par with the other convention destinations, in volume terms, it is small given the potential of India.

However, based on an analysis of secondary information as well as extensive interviews with several professionals during the study, it became apparent that India is at an 'inflection point' as far as the conventions and conferences business is concerned. With the emergence of India as a key economic hotspot along with China, and the country's recent tourism boom (with an increase in inbound travel from several international destinations for leisure, business and medical tourism), convention tourism has enormous possibilities in the country. India's growing strength in the Information Technology arena, as well the booming civilian Airlines industry has prompted prominent international bodies to host trade shows and conventions in the country and similar prominence in the bio-technology area and manufacturing sector is also expected to bring convention revenues to the country in the coming years.

5.1.2 Emerging Trends in the Country

A Consumer survey was conducted among 75 international delegates across several conferences in Bangalore, New Delhi and Thiruvananthapuram. While the consumer survey revealed consumers' perceptions about India as a destination and also revealed information on expenditure patterns for different product/ service heads, it also provided details about potential opportunities for Tourism along with the convention market. This survey had collected information mainly on the following aspects: (for details: Ref. Appendix 7.5- Surveys used for the Study)

-  Profile of Conference Visitor, his preference for India as a convention destination on the basis of various parameters. (These parameters were decided on the basis of secondary research on business and conventions travel)

Expenditure habits, Duration of stay

His views on the facilities provided at the conference venue and how India can improve to position itself as a global conventions destination?

Data on a large number of Conferences/ Tradeshows/ Meetings organised between 2003 & 2007 was collected to analyse attendee trends along with effects of seasonality in the Indian market. This dataset contained a total of 2,089 conferences, meetings, exhibitions that were held during the 4-year period across different locations in the country. This dataset was created by information provided by ICPB Members, and various secondary sources including Newspaper articles, Journal advertisements, websites of professional bodies, research and academic institutions. For the purpose of this study, the focus was limited to the top 10 conference destinations in the country.

This study utilised the raw data collected for the International Passenger Survey (IPS), which included the information on business visitors. This data was complemented by incorporating the expenditure data collected through the consumer survey carried out specifically for this study.

5.1.2.1 Highlights from The Consumer Survey

Convention tourists spend slightly less than business visitors in terms of total expenditure. However they stay for a shorter duration. Hence, their expenditure/day is many times higher. Among the type of visitors, Repeat Visitors are found to spend slightly more than First time visitors.

Table 5: Average Expenditures of Repeat / First time Visitors (Source: Consumer Survey, IIMB)

Average Expenditures	In USD
First Time Visitor	1045
Repeat Visitor	1183
Grand Total	1091

Business and professional tourists are part of a lucrative segment and tend to spend more than average tourists. Business visitors spend close to 10% more than 'Others'.

Table 6: Expenditures of Business visitors (Source: IPS, NCAER)

Average Expenditures (Bus Vs Others)	In USD
Others	1203
Business	1362
Grand Total	1257

Business visitors spend as much time as other tourists in the country. They might possibly have tourist itineraries too as 20 days of average duration of stay seems high 'for business only' visits. The highest duration of stay is attributed to Employment related visitors (44 days), Religion and Pilgrimage and Health and Treatment visitors come next with average stays of 30 days.

Convention Centres account for only 10% of the conventions that are held in the country. However, this figure corresponds to stand-alone convention centres. Convention centres/ halls in major hotels have been classified under the category of "Hotels". "Exhibition Centres" include locations, which have permanent structures (halls, etc.) to host conferences, whereas "exhibition grounds" are locations with no permanent infrastructure for hosting such events. (Please refer to Table 6 below).

Table 7: Choice of Convention Venues (Source: Dataset of Events in India, 2005-2006)

Year	2005	2006
Commercial Complex	3%	5%
Convention Centre	7%	10%
Exhibition Centre	25%	28%
Exhibition Ground	1%	2%
Hotel	49%	49%
Institution	14%	6%

Professional Conference Organisers are the single biggest customer/ stakeholder for promoting conventions in the country.

Only 5% of the conferences held in the country attract foreign delegate participation.

The average duration of conferences in India is 3 days. The average participation per event is 226 delegates.

Conference and Tradeshows are the two most important categories of events that happen in India. Between them, they account for 85% of all MICE events.

The top Convention destinations (6 metros + 4 locations) account for 70% of all the conventions organised in the country.

The Medical and Pharmaceutical industries constitute the most important segment; accounting for 38% of all conferences.

Seasonal trends are evident in the scheduling of conferences in India. Most events are organised during the months of September to January; these months account for about 60% of the annual events. This seasonality was evident from the data collected on 2,089 business events held in the country during 2003-07. The adjoining table highlights the events' spread for 2006 (827 events).

Table 8: Seasonality in Indian Conference Business (Source: Dataset of Events in India, 2003-07)

Month	No. of Events	Percentage
Jan-06	84	10.2%
Feb-06	56	6.8%
Mar-06	53	6.4%
Apr-06	62	7.5%
May-06	36	4.4%
Jun-06	40	4.8%
Jul-06	44	5.3%
Aug-06	54	6.5%
Sep-06	102	12.3%
Oct-06	62	7.5%
Nov-06	119	14.4%
Dec-06	115	13.9%
Total	827	100%

Discussions with convention organisers revealed that most operators/ organisers tend to plan their events around the latter half of the year, which as mentioned earlier, coincides with the peak season of leisure tourism in the country. There is a dominant perception among both domestic and foreign organisers that it would be very difficult to host conventions/ conferences during the hot summer months owing to the heat, which would make most international travellers feel uneasy. It is further highlighted that many of the western countries announce an alert about visiting India during the summer and rainy season, because of the prevalence of water-borne diseases and other ailments. Such perceptions need to be addressed by media plan as well as educating operators/ organisers. Dubai, which shares similar weather conditions, has managed to develop thriving business tourism and conventions business during its harsh summer months.

5.1.3 Economic Impact of Conventions - The “Multiplier Effect”

▪ CONVENTIONS AND THEIR IMPACT

Conventions in many countries contribute to both the regional and national economies. Not only do they contribute economically to their host destinations but also accelerate the growth of overall travel and tourism activities through repeat visits and word of mouth communication. As seen in the figure, the extent of convention infrastructure determines the extent of impact that different events have on the local economy.

Conventions have an impact on different allied industries such as tourism, hotels, handicrafts, transport, etc. Business Tourism accounts for about two percent of national output and about 13 lakh jobs in India on an annual basis. (Source: Tourism Satellite Account, 2002-03). Additionally the

growth of this industry has a number of tertiary benefits such as upgradation of general infrastructure in urban areas, development of tourist circuits and education, and economic well being for the local populace.

Figure 5: Conventions and their impact



▪ **ECONOMICS OF CONVENTIONS**

Over the past decades, the growth of the worldwide convention industry has sparked an awareness of the economic significance of conventions to local and national economies. Expenditure by visitors in a convention destination sets off a complex chain of economic events, which can be described as the economic impact of convention tourism.

Three types of expenditures are generated by conventions: by delegates, by associations and by exhibitors. The true impact of conventions on the economy is difficult to calculate, as the convention industry is a composite industry with a complex amalgam of different activities in different sectors of the economy. On the expenditure side conventions result in direct and indirect contributions to the economy. Not only do they provide employment and revenue but also provide an important source of tax revenue.

Expenditure by visitors in a convention destination sets off a complex chain of economic events, which can be described as the economic impact of convention tourism. Not only do they provide employment and revenue but also provide an important source of tax revenue. The occurrence of a convention impacts many industries such as:

-
-  Professional Congress Organizers
 -  Conventions and trade fair centre
 -  Hotels & Restaurants
 -  Airlines and Surface transport
 -  Travel Agencies
 -  Leisure activities
 -  Stand Erection companies
 -  Specialist suppliers: projection and audio systems, translation and simultaneous interpretation, lighting, catering, signposting, accreditations, auxiliary staff, training institutes, promotional merchandising production
 -  Freight/Customs/Logistics agencies
 -  Handicraft and souvenirs companies
 -  Security and cleaning companies
 -  Design and printing companies

Meetings and conventions offer high value added in terms of delegate expenditure and also serve the dual purpose of promoting international relations. It is a highly profitable type of tourism as most delegates are subsidized and tend to use costly accommodation and often travel before and after the event. The MICE sector also helps increase local government and private sector investments that result in improvements in the general hospitality environment of the destination.

Service based industries such as the convention sector have an added advantage in that they create less pollution as compared to process industries. Thus, promoting conventions generates employment and output without the disadvantages of environmental degradation. They also help in protecting and showcasing the heritage of the country by providing opportunities and venues for displaying the country's rich history in handicrafts, art forms and culture. Finally, the value chain in tourism is highly labour intensive and hence contributes significantly to employment opportunities.

-  Manufacturing & Construction
-  Retail and Repairs
-  Hotels and catering, Restaurants
-  Transport, warehousing and communications
-  Financial services
-  Real estate, business and rental services

 Public administration, defence and social security

 Teaching

 Community, social and personal services

Organization of conventions requires a wide range of specialists from all educational levels from university graduates to specialist technical staff and skilled manual workers. In addition ensuring that conferences happen during the off-season can make up for seasonality effects of general tourism. Thus undesirable social effects of seasonal tourism such as migration, temporary employment, and job instability are avoided. These events can also be termed as “knowledge tourism” as they promote the exchange of ideas, technology and commercial knowledge that contribute to an intangible but important source of value add to the economy of the host country.

▪ MULTIPLIER EFFECT

As seen in the previous section convention related spending has an impact on other related sectors of the economy. This impact is measured through the use of multipliers, which can be of different forms such as output, employment, income and value-added multipliers. The output multiplier measures the amount of output generated from one-unit change in spending by convention delegates or hosts. An employment multiplier estimates the number of full-time jobs generated from one unit increase in the spending by the convention delegates or hosts. The higher the labour intensity of the sector,

KEY CHARACTERISTICS OF BUSINESS TOURISM

(Source: www.businessstourismpartnership.com/pubs/Tony%20Rogers.pdf)

Principal Characteristics of business tourism include the following:

- 1 It is at the **high quality, high yield** end of the tourism spectrum
- 2 It is **resilient, sustainable and complements the leisure tourism sector**
- 3 Investments in Business tourism facilities lead to the **regeneration** of urban and inner city areas
- 4 Business Tourism stimulates future **inward investment** as business people see the attractions of a destination while travelling on business or to attend a conference, exhibitions or incentive, and then return to establish business operations there
- 5 Research suggests that approximately **40% of business travellers will return** with their families or colleagues as leisure visitors they have enjoyed visiting on business

the higher would be the employment multiplier for that sector. Typically, labour-intensive industries such as restaurants, hotels, shopping and recreational services are the sectors, which are likely to create more jobs through conventions. The income multiplier measures the effect of an extra unit of

convention spending on the changes that result in the level of household incomes in the convention hosting region or country. The income multiplier is important because it most clearly demonstrates the economic impact on residents' welfare.

Value added multipliers used in this study include wages and salaries, operating surpluses, depreciation of fixed capital and indirect taxes less subsidies. The multiplier has been calculated at the national level using the results of the Tourism Satellite Account of India Report prepared by NCAER for the Ministry of Tourism and the study on Tourism Employment in the Asia-Pacific Region prepared by the ISID (Pais, 2006). The methodology for calculating the direct effects of employment from the convention sector has been obtained from this paper on Tourism Employment. However, for calculation purposes, the expenditure data for conference delegates is based on the findings of the primary survey conducted among conference delegates (rather than general business travellers) and the data on expenditure for business visitors has been obtained from the IPS study conducted by NCAER.

▪ VALUE ADD FROM TOURISM

According to the definitions provided by the Tourism Satellite Account (TSA), the two broad categories of expenditure are: Tourism Characteristic Goods and Services (viz. Accommodation, Food & Beverage, Transport and other recreational activities) and Tourism Related Goods and services (e.g. Clothing & Garments, Tobacco, Alcohol, Toiletries, Footwear, etc.). The value add to the economy from business tourism is substantial and ranges between Rs. 14,000 and Rs 24,000 Crores/annum (2002 GDP Data). The value added at factor cost, the expenditure at market prices for tourists and business visitors has been directly obtained from the TSA report. This figure corresponds to the value added from business visitors based on the latter's contribution to the total foreign tourists' expenditure in the country.

Table 9: Value add from Business Tourism (detailed)

Tourism Products	Inbound Tourism Consumption (Table 4, TSA) (Rs. Crores)	Domestic Tourists Consumption (Table 4, TSA) Rs. Crores	Total Tourism Consumption (Rs. Crores)
(A) Tourism Characteristic Products			
Accommodation	5,600	4,957	10,557
Food and beverages	3,854	6,709	10,563
Passenger transport services			0
Railway	421	12,118	12,539
Road			0
Buses	614	69,832	70,446
Other mechanised vehicles	184	2,811	2,995
Non-mechanised road transport	20	8,257	8,277
Water	204	362	566
Air	4,932	5,686	10,618
Transport equipment rental	2,266	654	2,920
Travel Agencies and similar services	5,712	10,237	15,949
Other recreational and entertainment activities	2,921	226	3,147
			0
(B) Tourism Related Products			0
Clothing and garments	1,323	5,064	6,387
Processed foods		1,351	1,351
Tobacco products		790	790
Alcohol		67	67
Travel related consumer goods	2,076	3,634	5,710
Footwear		609	609
Toiletries		498	498
Gems and Jewellery	1,124	3,402	4,526
Medicines and health related items		4,037	4,037
Printing and publishing	157	145	302
Total	31,408	141,446	172,854

Source: TSA Data, Table 4: Total Tourism Demand by products and by forms of tourism (At Factor Cost)
 Total Value Added at factor cost has been taken from Table 6(b) - Tourism Satellite Account 2002-03
 All expenditure in crores of INR

▪ CONTRIBUTION TO GDP

In order to calculate the contribution of Business Tourism to the GDP, the shares of international business tourism is assumed to be 23% (IPS) and domestic business tourism expenditure share ranging between 5-12% (an approximate international ballpark figure based on several international studies). Prorating for the two segments, the total Value Added Business Tourism (at Factor Cost) ranges between Rs. 14,000 and 24,000 Crores. The value added from margins on the expenditure in railways, transport, and trade has been appropriated based on the share of business tourism expenditure in total tourism expenditure obtained from the IPS survey of International Tourists (Source: TSA Study 2002-03). In addition to the direct effect on the economy the convention industry also adds to the multiplier effects on other related sectors. The multiplier for tourism has been obtained from the Tourism Satellite Account of India Report prepared by NCAER for the Ministry of tourism. Business tourism based on results in other countries normally has a higher multiplier than

the tourism sector at large as business visitors visit on company accounts and hence spend heavily on accommodation, restaurants and commutation. Hence at 2.1 we have been conservative with the indirect effects of Business tourism on other sectors of the economy. Thus the direct and indirect contribution of business tourism to the GDP of the country is at least 1.4-2.4%.

Table 10: Contribution of Business Tourism as % of GDP (Source: TSA, 2002-03)

	23% International + 5% of Domestic	23% International + 10% of Domestic	23% International + 12% of Domestic
Business Tourism Value Added (Rs. Crores)	14,296	21,368	24,197
Value Added from railway margin (Rs. Crores)	18	27	30
Value Added Transport Margin (Rs. Crores)	203	304	344
Value added from trade (Rs. Crores)	962	1,439	1,629
Total Business Tourism Value Added (Rs. Crores)	15,480	23,138	26,201
Gross Domestic Product (Rs. Crores)	2,249,493	2,249,493	2,249,493
Direct Contribution (%)	0.7%	1.0%	1.2%
Tourism output multiplier**	2.1	2.1	2.1
Direct and indirect contribution of business tourism to GDP	1.4%	2.2%	2.4%

Margin estimates has been taken from Table 6(c) - Tourism Sattelite Account 2002-03

** Allocated for business tourism based on the contribution to total value added from the entire tourism business

All expenditure in crores of INR

** Tourism multiplier has been taken from Table 6(c) - Tourism Sattelite Account 2002-03

▪ CONTRIBUTION TO EMPLOYMENT

The methodology for estimating the contribution of business visitors in India has been based on the ISID report on Tourism employment (Source: Author: Pais, Jesim, ISID Working Papers, 2006/4), as it is the only study conducted in the recent past to segregate the contribution of foreign tourists to employment in India. The definition of foreign tourist for this study has been taken as “... *any person normally living outside India (with an Indian or foreign nationality) and travelling to India for less than 12 months and “whose main purpose of the trip is other than the exercise of an activity remunerated from within the place visited”*. All other studies include the effects of domestic tourism on employment. The nature of foreign tourism is very different from that of domestic tourism and at a more specific level the nature of expenditure of foreign delegates to conventions is further different from that of local Indian delegates. The primary survey, which was conducted exclusively among Conference Delegates, revealed the expenditure patterns of this segment, the focus of this study, which was then used in conjunction with the ISID Study to derive the impact of conventions business on employment. The ISID study computes Employment coefficients for each of the sub-sectors that provide goods and services to foreign delegates such as hotels, restaurants, travel agencies, cultural and recreational services, handicrafts, textiles etc. Employment coefficients measure the ratio between employment and output/value added in a sector. In this study we define employment coefficient for a sector as the number of workers employed in that sector for every million dollar of USD value added in that sector.

Data on value added for the years 1993-94, 1999-2000 has been obtained from the National Account Statistics of the CSO. Data on employment for 1993-94 and 1999-2000 have been obtained from the National Sample Surveys on Employment and Unemployment conducted by the NSSO. The pattern of foreign delegate expenditure has been computed from a primary survey that we had conducted on foreign participants to international conventions held in India in the last quarter of 2006.

As seen in the table given below, the value added in millions of USD has been directly obtained from the ISID study. The weights of the business visitor expenditure have been obtained from the survey that we had commissioned. Based on these estimates the employment coefficients (product of value added X respective weights) for each of the sectors have been obtained. The employment generated is then calculated by multiplying the composite employment co-efficient with the foreign exchange receipts of business visitors obtained from the RBI. Thus, based on the analysis we estimate that business tourism directly added about 13 lakh or 1.3 million jobs to the economy in 2004-05. This seems a small percentage (6%) of the number of tourism related jobs, i.e. 21.5 million (TSA, 2006) and even smaller (3.4%) when both direct and indirect jobs are considered (38.6 million, as per TSA 2006). However, the above-mentioned figure of 1.3 million indicates full-time jobs due to foreign business tourism, a sector, which is currently small, but is expected to offer greater opportunities in this sector in the coming years as far as employment (direct and indirect) is concerned. Further, organization of conventions requires a wide range of specialists from all educational levels from university graduates to specialist technical staff and skilled manual workers. Hence jobs would be added at various levels.

Table 11: Impact of Tourism on Employment Opportunities

	No of workers per million of value added (USD)	Weights for business		Employment co-efficients	
		Weights for tourists	tourists	Foreign Tourist	Business Tourist
Accomodation	747	0.14	0.43	104.58	318.71
Food and beverages	683	0.12	0.16	81.96	110.32
Internal Transport	455	0.15	0.07	68.25	31.92
Travel services	197	0.08	0.04	15.76	7.29
Cultural and recreational services	2925	0.07	0.13	204.75	378.78
Other connected services	1075	0.09	0.10	96.75	102.48
Shopping	520	0.36	0.08	187.20	41.51
Textiles	1534	0.10	0.02	145.73	32.38
Germs and jewellery	479	0.14	0.03	65.62	14.58
Books and reading material	90	0.01	0.00	0.99	0.22
Personal goods	416	0.08	0.02	32.03	7.12
Others	558	0.04	0.01	21.76	4.84
				838.19	1008.64
Total Foreign exchange receipts in 2005 (in millions of USD) =				5731	
Foreign Exchange receipts from business tourists (millions USD) =				1318.13	
Employment co-efficeint (in USD)				1008.64	
Employment generated in 2004-05(in lakhs)				13.30	

While there can be immense benefits from conventions business as highlighted above, there can be possible pitfalls as pointed out by Darling and Beato (2004) in their paper on public financing of Convention Centres. Public ownership is the dominant form of convention centre ownership accounting for a share of 85% and 64% in Europe and North America respectively. In both these continents, 67% of publicly owned convention centres make no contribution to debt service and do not cover direct operating costs. Operating losses and debt services can put significant pressure on state and municipal budgets and can force reductions in other municipal programs that have higher social priorities. According to the authors, the economic highs are often projected, neglecting the possible pitfalls of such bullish estimates. The authors warn against such enthusiastic estimates and advise on strong rationale for selection of convention sites. The authors suggest the following criteria for site selection - locations with good transport network, related recreational and tourist attractions, access to large number of good quality hotel rooms in the vicinity and an active private sector willing to invest substantially in building conventions facilities.

They suggest that the local government can act as the chief facilitator with subsidies. The government can also facilitate by bringing together a larger body of potential investors for the project. Such public-private partnerships can take different forms; however, they warn against the government getting involved in the day-to-day operations of the convention centre.

▪ IMPLICATIONS FOR THE MICE SECTOR IN INDIA

-  Business tourism contributes to at least 2.2% of India's GDP. The share of business tourism is only set to increase with the development of India as a major hub of economic activity in Asia and the world
-  Based on present trends 13 lakh jobs will be directly added annually on account of business tourism without any intervention from the government. Active involvement of the government can increase opportunities manifold given the overall macro-economic conditions in both the local and global economy
-  India is a large country. The impact on local economies is bound to be much higher. States like Kerala, Goa and Rajasthan, which attract a large number of foreign tourists will benefit immensely from business tourism, as the recreational tourist circuit is already better developed than the rest of the country. Their proximity to important business destinations such as Delhi, Bangalore and Mumbai make them the ideal starting point for promoting MICE tourism in the country.
-  Urban centres such as Delhi, Mumbai, and Bangalore will also substantially benefit from efforts made towards attracting business visitors. They need to shift to a service based economy to reduce the congestion and degradation caused by industrialization. The tourism sector is highly labour intensive and hence is an ideal opportunity for such centres where opportunities for business networking are already in place on account of the growth of ITES and the technology industries
-  The hospitality industry is impacted by business tourism to a large extent. India's culinary traditions and cultural heritage provide an immense competitive advantage that cannot be easily replicated by competing countries in Asia and elsewhere. Additionally this industry is highly labour intensive and hence contributes to the creation of jobs while protecting and saving the country's cultural heritage
-  Business visitors tend to spend more on account of the company accounts that they travel on. Hence, attracting those gives more return for money spent on developing tourism. They are well educated and well networked and hence tapping them creates word of mouth publicity that is a good way of marketing Indian destinations.
-  The tourism industry in India is highly seasonal (60% of events are organised between September and January). Promoting business tourism and conventions during the off-seasons will require support from the state and central governments as well as private operators in the hospitality industry. State governments like Goa and Rajasthan have slashed state taxes by half during the "off-season" to attract more visitors. Similarly, the hotels have also lowered tariffs during these months. Such initiatives can be replicated in other popular destinations to promote the lean months.

-
-  The development of any economy is related heavily to the transfer of knowledge, ideas and skills from other parts of the globe that have access to advanced technologies. Meetings and conventions are held with the explicit intention of facilitating such knowledge transfers and hence their role in the development of any economy is invaluable and is beyond the contribution that they directly make to the national or local GDP. Promoting this sector is a driver to the development of strong Indian companies and upgrading the skills of India's coveted and publicized human capital.
 -  The tourism sector is a composite industry and hence its development helps decrease inequalities and promotes social welfare, as people with different skill sets are involved in the entire value chain. Thus the benefits of development in this sector would impact an executive in a MNC hotel chain to an artisan in a rural community, an entrepreneur running a restaurant to a driver driving a cab, a polyglot translating in French and German to a mason building roads - in short the privileged elite to the deprived rustic.
 -  Private investments in building tourism infrastructure including convention centres should be encouraged. Public Private Partnerships is being facilitated through the provision of viability-gap funding through the Finance Ministry. Governments can facilitate the private participation by improving related infrastructure (e.g. transport, communication) and speeding requisite clearances.

5.1.4 Indian Cities and Market Potential

This section of the study looks into the detailed aspects, which ideally are part customers' want lists and must have lists worldwide. This is fairly comprehensive in nature and of course in most cases, some aspects are either overlooked or considered not so important depending on the context of the conference/ convention. Data were collected through consumer survey on perceptions of India vis-à-vis other Asian destinations- which is presented in a tabular format to identify dimensions where India fares competitively or others and further summarised as part of the Importance (ranks provided by consumers for various prerequisite dimensions) and (India's) Performance (IP) matrix in the next section.

▪ THE SITE SELECTION PROCESS

The factors that affect the decision to locate conventions in specific centres hinges on the criteria of different association policies and requirements. However, some of the key factors those are common across different kinds of events while selecting venues are as follows:

5.1.4.1 Accessibility

-  Cost: the monetary expense of transportation and access

-
-  Time: the duration/distance of travel involved and the opportunity cost of that time
 -  Frequency: the frequency of connections to the site
 -  Convenience: the scheduling convenience of the connections
 -  Barriers: the extent of any travel formalities, which inhibit travel such as visas, customs, etc.

5.1.4.2 Local Support

-  Local Chapter: the extent of assistance and backing offered by the local chapter of the Association
-  CVB/Convention Centre: the extent of planning, logistical and promotional support offered
-  Subsidies: the extent to which the destination offers to defray costs through rebates and subsidies

5.1.4.3 Other Attractions

-  Entertainment: Restaurants, Bars, Theatres, Nightclubs etc
-  Shopping: Malls, Major Department Stores, Low Prices etc
-  Sightseeing: Architecture, Museums, Monuments, Attractions, Parks, Historical Sites, Local Tours.
-  Recreation: Sports And Activities Either As Spectator Or Participant
-  Professional opportunities: Visiting Local Clients, Negotiations, Business Deals, Selling, Making Contacts etc.

5.1.4.4 Accommodation Facilities

-  Capacity: The number of rooms available and whether more than a single hotel is required
-  Cost: The cost of suitable accommodation at the site
-  Service: The perception of standards of service
-  Security: The extent to which the hotels provide safe and secure environment
-  Availability: Are the facilities available when required?

5.1.4.5 Meeting Facilities

-  Capacity: ability of site to provide suitable sized facilities
-  Layout: suitability of facility layout and floor plan
-  Cost: the cost of the meeting space required
-  Ambience: the ability of the facility to create an appropriate atmosphere and environment

-  Service: the perception of the standards of service
-  Security: the extent to which the facility provides a safe and secure meeting space
-  Availability: are the facilities available when required

5.1.4.6 Information

-  Experience: has the site performed satisfactorily in the past
-  Reputation: what is the reputation of the destination among other meeting planners
-  Marketing: the effectiveness of the destination’s marketing activities

5.1.4.7 Site Environment

-  Climate: the desirability of the destination’s climate
-  Setting: the attractiveness of the destinations surroundings
-  Infrastructure: the suitability and standard of local infrastructure
-  Hospitality: the extent to which the host organizations and community excel in welcoming visitors

5.1.4.8 Other Criteria

-  Risks: the possibility of strikes, natural disasters, boycotts, and other possible adverse events
-  Profitability: the extent to which the site would produce a profit for the organizers
-  Association Promotion: would the site add credibility to the association and build membership
-  Novelty: the extent to which the destination represents a novel location for the association’s next convention

Table 12: Factors used for Considering the Venue for an International Conference (Source: Consumer Survey)

Rank	Factor	Score
1	Business/ Networking	7.8
2	Total Cost	5.8
3	Conference Facilities	5.6
4	Miscellaneous Facilities	5.6
5	Connectivity	5.4
6	Accommodation	4.4
7	Immigration	4.0
8	Tourism	3.1
9	Other Recreation	3.1

As seen in the table above the most important factor for conference delegates is the business/networking opportunity that is made available to them.

▪ BENCHMARKING WITH OTHER ASIAN DESTINATIONS

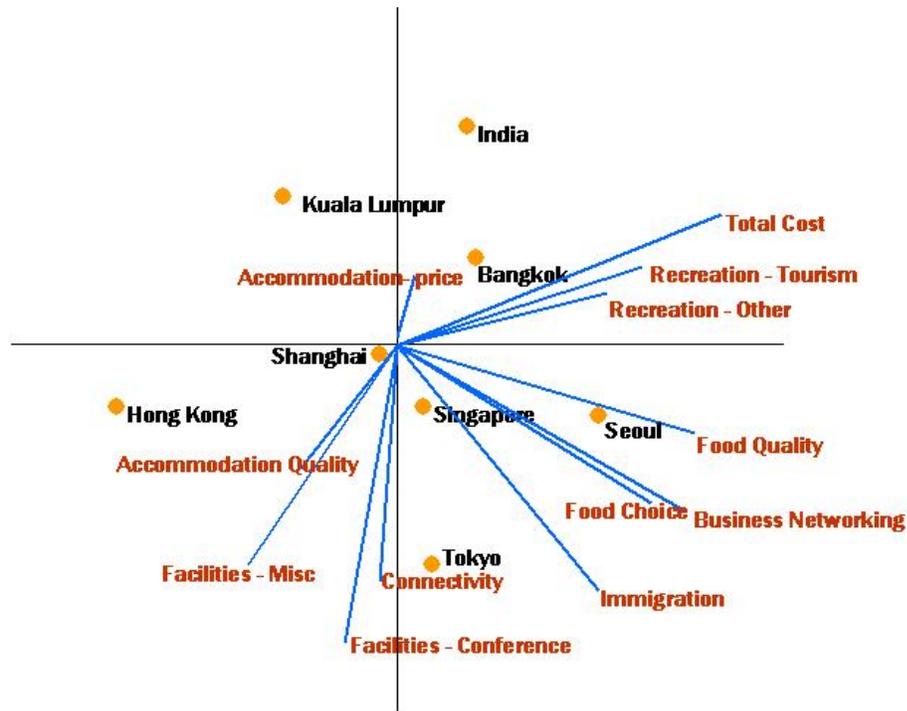
In this section an attempt is made to analyse the Asian Market for conventions in terms of the overall appeal of different cities as convention venues. The attractiveness of each of the centres is compared to that of India as a conference destination. The following conclusions are based on the consumer survey conducted among conference delegates for their perception about Indian venues vis-à-vis other prominent Asian destinations. Respondents were asked to rank India against an Asian Destination, which they have already visited and indicate whether specific facilities/ aspects were better or worse on a scale of 5 (where a score of greater than 3 would mean “better in India” or less than 3 would mean “worse in India”).

Table 13: Comparison of Asian Destinations with India (Source: Primary Survey).

Data	Other Location							Overall
	Bangkok	Hong Kong	Kuala Lumpur	Seoul	Shanghai	Singapore	Tokyo	
Business/Networking	+	+	+	-	-	+	-	+
Total Cost	+	+	+	-	+	+	+	+
Connectivity	-	-	-	-	-	-	-	-
Immigration	-	-	+	-	-	-	-	-
Acc-Quality	-	-	-	-	-	-	-	-
Acc-Price	-	-	+	-	-	+	+	-
Food-Choice	+	+	+	-	+	-	-	+
Food-Quality	-	+	+	-	-	-	-	+
Recre-Tourism	-	+	-	-	-	+	-	+
Recrea- Other	-	+	-	-	-	-	-	-
Facilities- Conf.	-	-	-	-	-	-	-	-
Facilities- Misc.	-	-	-	-	-	-	-	-

In this Table, (+) indicates “Better in India” & (-) indicates “Worse in India”

Figure 6: India's Position vis-à-vis other Asian Destinations (Source: Primary Survey).



As seen in the Table above cities in India compare poorly with respect to destinations such as Seoul, Tokyo, and Shanghai. India is competitive with respect to Singapore, Hong Kong, Kuala Lumpur, and Bangkok. Overall, India compares favourably with these cities in terms of business networking opportunities, cost, culinary and tourism opportunities- however, on other attributes India fares much worse compared to these cities. As far as Seoul, Tokyo and Shanghai are concerned, India performs poorly on almost all parameters, barring attributes like Cost. These are core areas that need to be marketed as the strengths that the country has to offer. Improvement areas that have been identified include connectivity, immigration facilitation, accommodation value (both price and quality), recreational opportunities and finally the state of tourist and general infrastructure which includes local transportation, information facilitation, traffic decongestion, cleanliness and hygiene, roads, and overall quality of life.

To interpret the positioning map, one has to consider the vector of the individual variable/ dimension. The position of a specific destination on the *orthogonal plane* determines its attractiveness on that the particular variable/ dimension. Multi-dimensional maps are quite useful for interpreting relative strengths of entities when compared across various parameters/ dimensions. The various dimensions are listed on the map; and the relative position of a city, compared to its peers can be ascertained by its position on the particular dimension, e.g. Tokyo is ahead of all other Asian destinations as far as “Connectivity”, “Immigration”, “Facilities- Conference”, “Facilities-

Misc.” are concerned. India similarly ranks high on the dimensions of “Total Cost”, “Recreation Tourism”, etc.

In the adjoining diagram, one can see that India is perceived to be placed higher than other Asian destinations like Bangkok, Singapore, Kuala Lumpur, Singapore, etc. on the dimension of “Recreation- Tourism”. This is found out by drawing an orthogonal line (dotted as shown in figure) to the vector of “Recreation- Tourism” (indicated in Blue and pointing towards right).

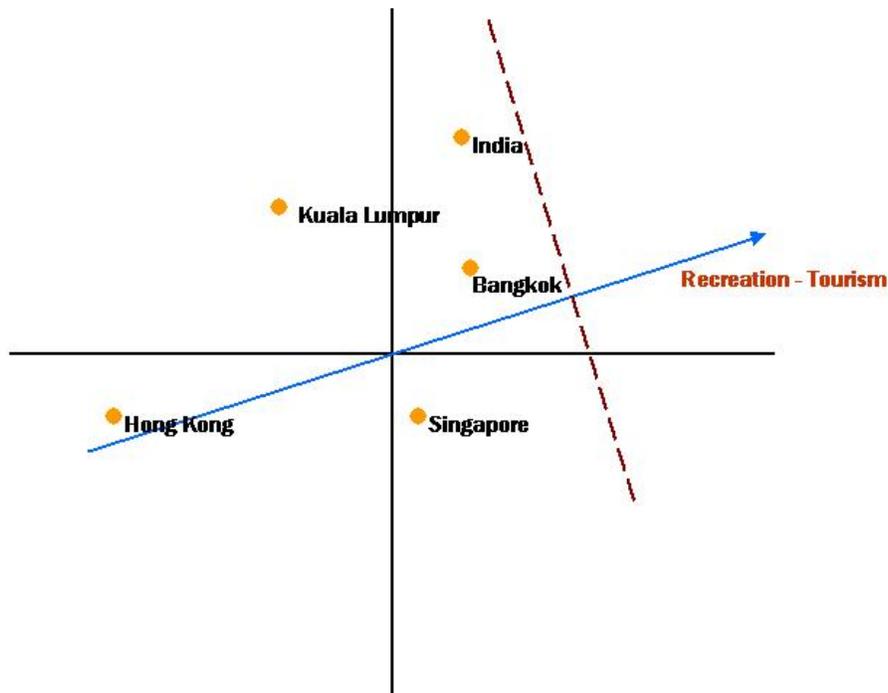
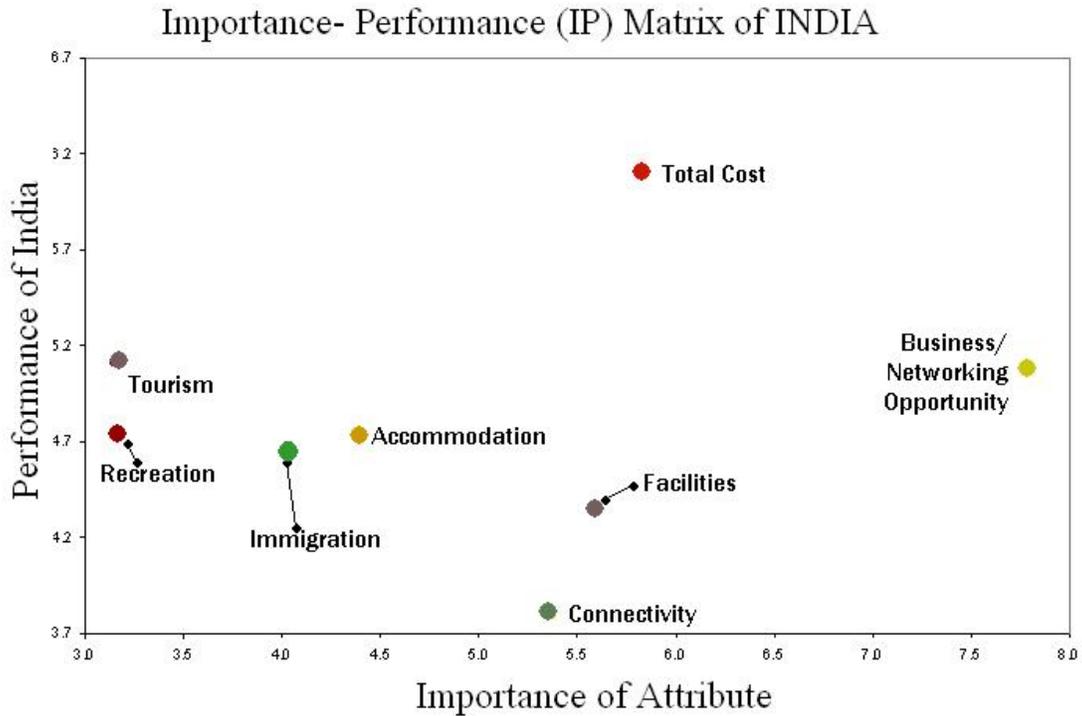


Figure 7: Interpretation of Positioning Map

▪ CONVENTION DESTINATIONS IN INDIA

As seen in the IP matrix below, the core strengths (high importance-high performance) of India are in total cost and business/networking opportunities. The biggest weaknesses are in connectivity and facilities. Connectivity refers to the ease in accessibility of conference venues and tourism opportunities while facilities refer to conference facilities as well as the state of infrastructure in the country. Although not as important as connectivity and facilities, the other areas of improvement are recreation al activities, immigration facilitation and accommodation value. Next, the perceptual map given below is a comparison of Indian cities and their suitability as a conference destination.

Figure 8: Importance-Performance Matrix -India.



Delhi and Mumbai are the most suited for staging conferences. Delhi is the city of choice as it has tourism potential, business opportunity and the general state of infrastructure is far better than in the rest of the country. Both Mumbai and Delhi have good connectivity.

Table 14: Preference for Indian Cities- based on various factors (Source: Domestic Delegates Survey)

Location	Preferred
Bangalore	7%
Chennai	8%
Delhi	31%
Hyderabad	7%
Mumbai	33%
Goa	3%
Others	10%
TOTAL	100%

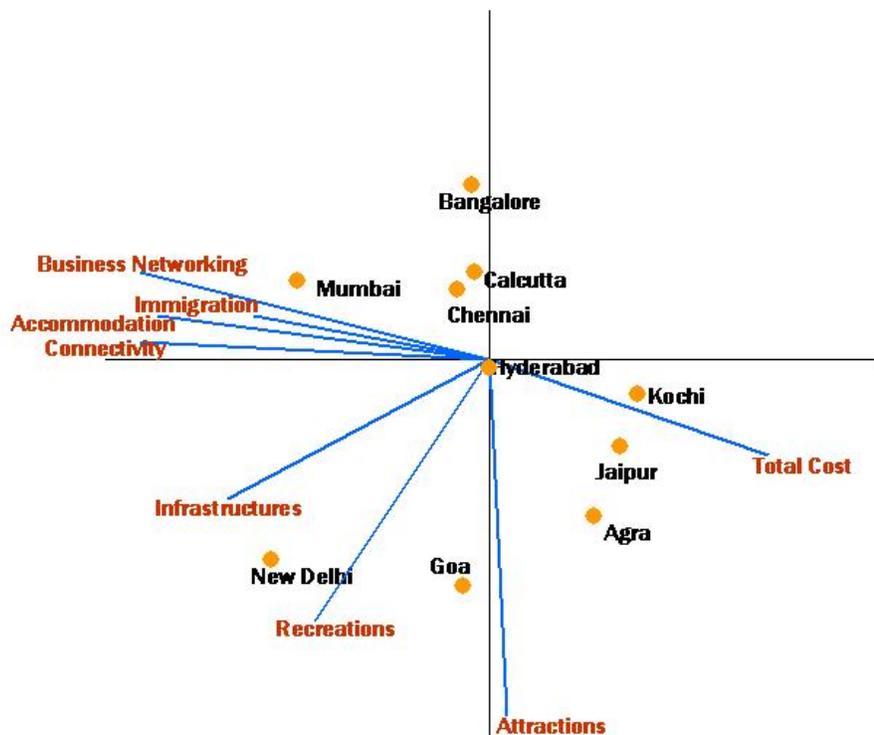
Table 15: Share of events across top 10 destinations in India (Source: Data collected on Events)

Location	Year 2005	Year 2006
Agra	0.0%	0.3%
Bangalore	9.2%	10.6%
Chennai	12.8%	9.0%

Location	Year 2005	Year 2006
Goa	8.6%	3.4%
Hyderabad	9.2%	8.4%
Jaipur	1.8%	2.2%
Kochi	0.0%	0.7%
Kolkata	0.9%	3.4%
Mumbai	16.5%	22.9%
New Delhi	41.0%	38.1%

On the basis of interviews with experts and survey conducted among convention visitors, perceptual rankings for several Indian cities were collected. These average rankings were used to prepare the Multi-dimensional positioning map for the different Indian cities. The Cities, which were considered for this study, were New Delhi, Mumbai, Bangalore, Calcutta (Kolkata), Chennai, Kochi, Agra, Jaipur and Goa. According to this map, Mumbai ranks higher than any other city in India as far as “Business Networking” is concerned, whereas, New Delhi and Goa both rank highly on “Recreations”.

Figure 9: Perceptual Map for Indian Cities



5.1.5 Key Convention Destinations in the Country

▪ NEW DELHI, NATIONAL CAPITAL REGION (NCR)

New Delhi is the capital city of India. It is the seventh most populous metropolis in the world. Delhi has a semi arid climate with a high variation between summer and winter temperatures. The city boasts of an impressive portfolio of industries, which include Information Technology, Telecom, Hotels, Banking, Media, Tourism, and Life Sciences. The manufacturing industry has also grown considerably. Real Estate and Tourism contribute significantly to the local economy.

The Indira Gandhi International (IGI) Airport caters to both domestic and international connections. New Delhi is well connected with over 300 flights (for details of airline connections, please refer to Appendix 7.1.9) to important destinations around the world. IGI also has a domestic airport and Safdarjung (few chartered and government flights) Airports. There are three major railway stations and it is also connected by a lot of highways. New Delhi can boast of one the best laid traffic systems in the country. Buses operated by both public and private enterprises ply to most locations in the city, Taxis, Auto-rickshaws and suburban railway systems also carry substantial traffic. The newly developed Delhi Metro (a combination of subway and elevated systems) has alleviated the traffic problems to a certain level in the city. The city's proactive approach in introducing Compressed Natural Gas (CNG) run buses has reduced the extent of the pollution in the city.

Delhi is one of the most historic capitals in the world and two of its monuments, the Qutb Minar and Humayun's Tomb, have been declared World Heritage Sites. It offers a multitude of interesting places and attractions to the visitor, so much so that it becomes difficult to decide where to begin exploring the city. In Old Delhi, there are attractions like mosques, forts, and other monuments that depict India's Muslim history, dating back to the Islamic invasion in the twelfth century. The important places in Old Delhi include the majestic Red Fort, the historical Chandni Chowk. In addition, Old Delhi has Raj Ghat and Shanti Vana that are modern structures constructed after India's Independence in 1947. In comparison, New Delhi is a modern city designed by Edwin Lutyens and Herbert Baker. New Delhi houses many government buildings and embassies, apart from places of historical interest. Some of the notable attractions in New Delhi include the Rashtrapati Bhawan, the one-time imperial residence of the British viceroys, the India Gate, a memorial raised in honour of the Indian soldiers martyred during the Afghan war, the Laxminarayan Temple, built by the Birlas, one of India's leading industrial families, the Akshardham Temple, the shrine of the Muslim Sufi saint, Nizam-ud-din Chishti, who died in 1325, and the lotus-shaped Bahá'í House of Worship. For the shoppers, Connaught Place offers a plethora of choices.

The City hosts the highest number of tradeshows and conventions in the country. The main convention centres are Pragati Maidan (part of India Trade Promotion Council), NSIC Complex,

Vigyan Bhawan and India Expo Center, Noida. The hotels having conference facilities are Ashok Hotel, Taj Palace hotel, Taj Mahal Hotel, Le Meridien, Hyatt Regency, ITC Hotel Maurya Sheraton and Towers, The Park, and the Imperial (for details, please refer Appendix 7.4). In all, the city has a capacity of about 5,000 five star rooms and close to 9,000 rooms in the 3-Star and above range, along with 17 convention/banquet halls.

Pragati Maidan Exhibition Complex: Spread over 100,000 sq. metres with 17 Exhibition Halls, 3 Auditoriums and 3 Open Air Theatres The Pragati Maidan Exhibition Complex is run by the Indian Trade Promotion Organisation, a Govt. agency. Located in the heart of New Delhi, the Exhibition grounds are just 10 minutes away from the city centre - Connaught Place. The Vigyan Bhavan at New Delhi has been the host of various Heads-of-State level meets and has been witness to moments of history like the signing of the Delhi Declaration. Recent renovations have resulted in a completely new, state-of-the-art convention complex with upto date services & facilities. Befitting decor, modern projection facilities and 8-language simultaneous interpretations make for an excellent convention venue. India Habitat Centre was the first endeavour to develop an integrated convention centre in India housing convention facilities as well as peripheral facilities in the same complex. It can house close to 1,000 participants. The proposed International Convention centre at Dwarka in South Delhi, is expected to be the largest in the country. Spread over an area of 35 acres, it will have about 86,000 square metres of convention and exhibition space, with 3 halls having capacities of 2,000-12,000 delegates in theatre style seating. The site is also expected to house Commercial facilities as well Hotels with 800 rooms (300+ rooms in 5 star and above category) and a golf course.

▪ MUMBAI, MAHARASHTRA

While New Delhi is the political capital, Mumbai is the financial capital. Mumbai contributes 10% of all factory employment, 40% of all income tax collections, 60% of all customs duty collections, 20% of all central excise tax collections, 40% of India's foreign trade and Rupees 40 billion (US\$ 9 billion) in corporate taxes. A number of Indian financial institutions are headquartered in downtown Mumbai, including the Bombay Stock Exchange, the Reserve Bank of India, the National Stock Exchange of India, the Mint, and numerous conglomerates (the Tata Group, Godrej and Reliance etc). Many foreign banks and financial institutions also have branches in this area. It also has a number of Chambers of Commerce, like Maharashtra Chamber of Commerce, Industry & Agriculture (MACCIA), which was founded in the year 1927 by the great visionary and industrialist Seth Walchand Hirachand with the mission to unite and organize business class, then emerging in the pre-independent India.

Till the 1980s, Mumbai owed its prosperity largely to textile mills and the seaport, but the local economy has since diversified into engineering, diamond polishing, healthcare and information technology. Mumbai's status as the state capital means that state and federal government employees make up a large percentage of the city's workforce. Mumbai also has a large unskilled and semi-

skilled labour population, who primarily earn their livelihood as hawkers, taxi drivers, mechanics and other such blue-collar professions. The port and shipping industry too employs many residents, directly or indirectly. The entertainment industry is the other major employer in Mumbai. Most of India's major television and satellite networks are headquartered in Mumbai, as well as its major publishing houses. The centre of the Hindi movie industry, Bollywood, is also located in Mumbai, along with its largest studios and movie production houses. Marathi television and film industries are based in Mumbai.

Along with the rest of India, Mumbai has witnessed an economic boom since the liberalisation of 1991. The finance boom in the mid nineties and the boom in IT exports and services in this decade has also contributed to the growth of this city. The middle class in Mumbai is the segment most impacted by this boom and is the driver behind the subsequent consumer boom. Upward mobility among 'Mumbaikars' has led to a direct increase in consumer spending. Purchasing power has grown proportionately. This growth is most apparent in the city's real estate growth as well as a rapid growth in retailing and lifestyle expenditure among its citizens. Over the past few years, the city has seen large retailing organisations set up shop, aiming to grab a chunk of the growing share of disposable incomes among the middle class. Groups like Lifestyle, Piramyds, Shoppers' Stop, Trent and Pantaloons have established chain stores across the city. International fashion labels such as Gucci and Armani are planning to set up retail stores in Mumbai by 2007/2008. The city would have over 60 malls across the downtown and suburbs, all ready to tap into the vast suburban middle class. However, on the downside, the growth in disposable incomes, a combination of low interest loans and easily available bank financing, coupled with a high demand for commercial real estate has led to property prices increasing substantially, even in some newly developed areas like the Bandra Kurla Complex, by as much as 60% in 2006. A heavy residential and commercial demand and a steady supply of state-of-the-art flats and properties in Mumbai have led to the rising land prices. Despite the rise in prices, however, property sales in Mumbai have soared in recent years.

The Chhatrapati Shivaji International Airport is the busiest in India with close to 400 flights a day, caters to cargo and international flights, while Santacruz to domestic flights. Mumbai has extensive direct connections to most destinations in Europe, Asia and North America. Mumbai has one of the best natural harbours in the world and handles passenger traffic. There are two major railway stations connecting it to rest of India. Public transport within the city is mainly BEST buses, suburban railways, metered taxis and autos. Road conditions are poor leading to traffic bottlenecks.

The convention facilities available include Bombay Exhibition Centre, Nehru Centre, World Trade Centre and The Bandra Kurla Complex. The hotels hosting conferences are The Oberoi, Leela Kempinski, Taj Mahal Palace and Tower, Taj President, Hyatt Regency, ITC Grand Maratha Sheraton and Towers, ITC Grand Central Sheraton, Grand Hyatt Mumbai and Marriott Executive apartments (for details, please refer Appendix 7.4). In all there are about 5,000 five star rooms, (with

8,000 rooms in the 3-star and above categories) and 16 convention/banquet halls in the city. Centre point in the WTC building has recently been renovated to upgrade its facilities.

▪ HYDERABAD, ANDHRA PRADESH

Hyderabad is known as the City of Pearls, Lakes and, lately, for its IT Companies, which earned the nickname of Cyberabad. The pearl market is situated near Charminar. Ornaments made with Rice Pearls can be bought from Char Kaman or the General Bazaar Market. Products such as silverware, saris, Nirmal and Kalamkari paintings and artefacts, unique Bidri handcrafted items, lacquer bangles studded with stones, silk-ware, cotton-ware and handloom-based clothing materials are made and traded through the city for centuries. Andhra Pradesh inherited from the erstwhile State of Hyderabad great academic institutes and research labs, both public and private institutes with very diverse areas of interest from Developmental Banking at the Institute for Development in Research and Banking Technology. The Infrastructural facilities for basic research in Hyderabad are some of the best in the country, hosting a large academic population from all over the country and beyond. Hyderabad is a major centre for pharmaceuticals with companies such as Dr. Reddy's Laboratories, Matrix Laboratories, Hetero Drugs Limited, Divis Labs, Aurobindo Pharma Limited and Vimta Labs being housed in the city. Initiatives such as Genome Valley and the Nanotechnology park are expected to create extensive infrastructure in bio-technology.[3]

Like many Indian cities, Hyderabad has witnessed a remarkable growth in the real estate business, thanks to a predominantly information technology-driven boom in the 1990s and the retail industry growth over the last few years which have spurred hectic commercial activity. A number of mega malls have come up or are being built in the city.

The Airport at Begumpet has both domestic and international terminals. It connects to the Middle East, South East Asia, Europe, Americas and few South Asian destinations. A new international airport at Shamsabad is expected to be operational in April 2008. There are three main railway stations connecting to locations in India. National Highways also connect to the other cities. Public transport is of the form of MMT system, Auto-rickshaws, Air Conditioned Cabs, and Public buses plying to most locations in the city.

Hyderabad is home to world-class convention centres with a perfect balance of small and big centres. The ease of accessibility of the centres makes them attractive as business visitors can mix business with pleasure. The prominent convention destinations are HICC (Hyderabad International Convention Centre- promoted by EMAAR Group of UAE), HITEX, and Shilpa Kala Vedika.

Hotels with convention facilities include the ITC Hotel Kakatiya Sheraton and Towers, Taj Group Hotels – Taj Banjara, and Taj Krishna, Fortune Katriya, Hyderabad Marriott within the city having

a capacity of about 1,000 five star rooms (approximately 3,000 rooms in the 3-star and above categories) and 5 convention/banquet halls. (For details, please refer Appendix 7.4).

Key Attractions in the city include, The Charminar - the major landmark in Hyderabad with four graceful minarets, Faluknama Palace, which was built by Nawab Viqar al-Umra, a beautiful and stunning piece of architecture, the historic Golconda Fort, located on the outskirts of the city, it is one of the most magnificent fortress complexes in India, the Birla Mandir, and the most impressive collections of the Nizam era in the Salar Jung Museum, which houses the largest one-man collection of antiques in the world. The Hussain Sagar Lake is a man-made lake that separates the twin cities of Hyderabad and Secunderabad. It is famous also for the 18-metre tall Buddha statue on a platform in the middle of the lake, and for the Tank Bund that is the main road between the twin cities. For shoppers, Hyderabad Pearls is a must-visit item and these famous pearls and bangles sold in many quarters in the city.

Hyderabad International Convention Centre (HICC) is a world-class convention centre. This convention centre has been designed to hold conferences ranging from 50 to 5,000 delegates. The convention centre has a seating capacity of 4,000, which can expand to 6,500 seats. Event organisers have 291,000 square feet of primary meeting space equipped to handle events for about 50 to 5000 delegates. This can be increased to 6,500 delegates for special events with the help of its mobile operable walls. It has 250,000 square feet of pre-function areas supported by 32 breakout rooms. The convention centre is a pillar-free internal hall of net 6,480 sq. meters, which can be partitioned into six halls in an open capacity. This integrated complex also houses the Accor Hotels- with a capacity of 300+ rooms. Apart from this centre, HITEX is another exhibition facility designed mainly to handle exhibition and trade shows and fairs.

▪ CHENNAI, TAMIL NADU

The southern city of Madras was rechristened as Chennai in the 1990s; it is the Capital city of the state of Tamil Nadu. The city has a diversified economic base. The main industries are automobile, software services, hardware manufacturing and financial services. Other important industries include petrochemicals, textiles and apparels. The Chennai Port and Ennore Port contribute greatly to its importance. The city has a fully computerised stock exchange called the Madras Stock Exchange. Chennai has the fourth largest GMP (Gross Metropolitan Product) in India.

Since the late 1990s, software development and business process outsourcing and more recently manufacturing have emerged as major areas in the city's economy. Chennai has been rated as the most attractive Indian city for off-shoring services according to A T Kearney's Indian City Services Attractiveness Index 2005. Software services giants like Infosys, TCS, Wipro, Cognizant Technology Solutions, Satyam, HCL, IBM, Accenture, have set up development centres in the city. The city is now the second largest exporter of IT and IT-Enabled Services in the country second only to

Bangalore. The city can boast of several Software Technology Parks, which houses many of these software services giants. The Mahindra World City, a Special Economic Zone (SEZ) with one of the world's largest information technology parks, is currently under construction in the outskirts of Chennai. The city has two main biotechnology parks, TICEL Biotech Park and Golden Jubilee Biotech Park at Siruseri that house biotechnology companies and laboratories. Chennai is the base for around 48 per cent of India's auto components industry and 29 per cent of the vehicle industry. A large number of the automotive companies in India are based in Chennai. Several global automotive companies such as Hyundai, Ford, Mitsubishi, TVS, Ashok Leyland, Caterpillar, Royal Enfield, TI Cycles, TAFE, Dunlop, MRF have manufacturing plants in and around Chennai while BMW , Mahindra & Mahindra, and Apollo Tyres have plants under construction around Chennai. The city is a major centre for the auto ancillary industry.

Chennai is also an important centre for banking and finance. At present it is home to three large national level commercial banks and many state level co-operative banks. Several large financial companies and insurance companies are headquartered in Chennai. Many Indian banks, multi-national banks and the World Bank have located their back office operations in the city. The city serves as a major back up centre for operations of many banks and financial companies in India.

The Chennai International Airport serves as the city's airport for both domestic and international flights and is the third busiest in India and is the premier international gateway in South India. The city is connected to major hubs in South Asia, South East Asia, the Middle East, Europe and North America through over thirty national and international carriers. The airport is also the second busiest cargo terminus in the country. The city is served by two major ports namely the Chennai Port, which is one of the largest artificial ports and the Ennore Port. The Chennai port is India's second busiest container hub handling general industrial cargo, automobiles etc. The Ennore port handles cargo such as coal, ore and other bulk products. Chennai Central, built 1873 and remodelled in 1900, has been the city's main railway station since 1907, taking over from Royapuram. There are two main railway terminals, the Chennai Central station, which is the city's largest railway station with trains to all the major cities like Mumbai, Kolkata, Bangalore, Delhi, Hyderabad, Coimbatore and towns in India, and Chennai Egmore, with trains for destinations within Tamil Nadu.

Buses and trains are the most popular form of public transport. The Chennai suburban railway network consists of four rail sectors, namely Chennai Central—Arakkonam, Chennai Central—Sullurpeta, and Chennai Beach—Chengalpattu. The fourth sector is an elevated MRTS suburban train system, which is interlinked with the remaining rail network. There are plans to construct an underground Metro in the City. Hired transport facilities include metered call taxis, fixed rate tourist taxis and auto rickshaws.

Chennai is home to Chennai Trade Centre, which hosts a large number of conventions, trade shows and fairs as well as incentive meetings. Hotels having conference facilities are Taj Connemara, Taj

Coromandel, Le Royal Meridien, The Park, ITC Hotel Park Sheraton and Towers, Chola Sheraton, etc. Most of the hotels have conference halls with capacities to cater to 300-600 delegates at one time. Chennai has close to 5,000 rooms in the 3-star and above category. However, there is a shortage of quality, affordable rooms in the city, which can cater to the needs of the booming business travel to this city (for details, please refer Appendix 7.4).

Chennai's culture reflects its diverse population. The city is known for its classical dance shows and Hindu temples. Chennai is also known for the classical Indian dance, Bharatanatyam, which is also the official dance of Tamil Nadu. An important cultural centre for Bharatanatyam is Kalakshetra (Sanskrit for "place of the arts"), located on the beach in the south of the city. Chennai is the base for the large Tamil movie industry, dubbed Kollywood after the locality of Kodambakkam where most of the movie studios are located. The industry makes about 300 Tamil movies a year, and its film soundtracks dominate the music scene in the city.

Chennai is famous for its numerous restaurants that offer light meals or Tiffin which usually include rice-based dishes like Pongal, Dosa, Idli or Vada, served with steaming hot filter coffee, a very popular beverage consumed in Chennai. This unique cuisine is replicated in many a Madras Cafe in other parts of India and the world.

▪ BANGALORE, KARNATAKA

Bangalore's Rs. 260,259 Crore (USD 51.9 billion, 2002 data) economy makes it one of the major economic centres in India. Bangalore is India's fifth largest city. Bangalore's per capita income of Rs. 2.9 lakh (US\$ 6,460) is the highest for any Indian city. In the 1940s industrial visionaries such as Sir Mirza Ismail and Sir Mokshagundam Visvesvaraya played an important role in the development of Bangalore's strong manufacturing and industrial base. Bangalore is headquarters to several public manufacturing heavy industries such as Hindustan Aeronautics Limited (HAL), National Aerospace Laboratories (NAL), Bharat Heavy Electricals Limited (BHEL), Bharat Earth Movers Limited (BEML) and Hindustan Machine Tools (HMT). In June 1972 the Indian Space Research Organisation (ISRO) was established under the Department of Space and headquartered in the city. Bangalore is called the "Silicon Valley of India" because of the large number of Information Technology companies located in the city which contribute 38% of India's Rs. 100,000 Crore (US\$ 22 billion) IT and software export market. Biotechnology is a rapidly expanding field in the city. Bangalore accounts for 47% or 127 of the approximately 265 biotechnology companies in India. Biocon, headquartered in Bangalore, is the nation's leading biotechnology company and ranks 16th in the world in revenues.

HAL Airport has both domestic and international terminals. Direct flights from Bangalore fly to destinations in Asia, Middle East and European destinations like Paris, Frankfurt and London. However, this airport is not capable of handling the 150-odd flights it receives all through the day, as

this was mainly designed for Air force operations. The increase in the number of low cost carriers has led to heavy congestion. This is one of the most congested airports in India, with very few passenger amenities. Because of this congestion problem, a new International Airport at Devanahalli is coming up which is expected to be operational by 2008. There are five railway stations connecting it to major cities in India.

Auto-rickshaws, also simply referred to, as Autos are a popular form of public transport in Bangalore. Call Taxi service within Bangalore is provided by several operators commonly referred to as City Taxis ply across the city and can be booked over telephone. Bangalore Metropolitan Transport Corporation (BMTC) operates a fleet of 3,207 BMTC public buses, servicing an average of 2,800,000 commuters. An intra-city rapid rail transport system called the Namma Metro is being developed and is expected to be operational in 2008. The Metro, once ready, will encompass a 33 km (20.5 miles) elevated and underground rail network, with 32 stations. Bangalore has earned the dubious distinction of being one of the infrastructure-deprived cities in the country, and in cases the urban infrastructure has failed dismally trying to keep up with the demand.

Bangalore's major attractions include the Vidhana Soudha, Bull Temple, the ISKCON temple, along with the Race Course, Tipu's Palace, Ulsoor Lake, Lalbagh, Cubbon Park, Bangalore Palace and Fort. Many view this city as a convenient transit point before moving into the sanctuary territory, backwaters and mountains in the southern states of Kerala and Tamil Nadu. The diversity of cuisine available is reflective of the social and economic diversity of Bangalore. Roadside vendors, tea stalls, South Indian, North Indian, Chinese and Western fast food are all very popular in the city. Udipi restaurants are very popular and serve predominantly vegetarian, regional cuisine. Bangalore has many clubs and bars, and is sometimes referred to as the Pub Capital of India.

Palace grounds hosts a number of tradeshows and exhibitions every year. Other centres are Kanteerava Indoor Stadium, Bangalore Trade Centre (KTPO). A new centre Bangalore International Exhibition Centre has become operational in 2006. The centre has large halls with 40,000 square metres of exhibition space in a pillar-less area providing tremendous flexibility to exhibition organisers in laying out their stalls and exhibits. Conferences can be organised in four air-conditioned halls in over 5,600 square metres of built-up space. Seating capacities of the halls range from 120 to 1,500. Another facility, the Bangalore Convention Centre is planned near the new International Airport Devanahalli, with a capacity of 5,000 delegates and with a hotel accommodating 3,000 guests. Both these convention centres have been developed under Public Private Partnerships. Apart from that, a number of top-end hotels also host conferences. They are The Leela Palace Kempinski, The Oberoi Hotel, Taj West End, Gateway Hotel, Golden Palms Spa and Resort, ITC Hotel Windsor Sheraton & Towers, Taj Residency, and Le Meridien. Bangalore has close to 1,700 rooms in the 3-Star and above category. This city has some of the highest room tariffs in the country due to paucity of rooms and is perceived as a very expensive destination for business

travellers. As estimated by experts, a capacity extension of 10,000 rooms is urgently required for this city (for details, please refer Appendix 7.4).

▪ KOLKATA, WEST BENGAL

Kolkata, formerly known as Calcutta is the capital of West Bengal. The city is the third largest urban agglomeration and the second largest city in terms of population in India. It is also referred to as the City of Joy- after the book by Dominique La Pierre. It has a tropical climate. Pollution is a lot of concern in Kolkata and the suspended particle matter (SPM) level is quite high compared to other cities leading to regular smog and haze. Kolkata is the main business, commercial and financial hub of eastern India and the north-eastern states. It is home to the Calcutta Stock Exchange — India's second-largest bourse. It is also a major commercial and military port, and the only city in the region to have an international airport. Once India's leading city and Capital, Kolkata experienced a steady economic decline in the years following India's independence due to the prevalent unstable political condition and rise in trade unionism supported by left-wing parties. Between the 1960s to the mid 1990s, flight of capital was enormous as many large factories were closed or downsized and businesses relocated. However, the city is witnessing resurgence owing to some progressive steps taken by the current Chief Minister. Kolkata's economic revival was led largely by IT services, with the IT sector growing at 70% yearly - twice that of the national average. In recent years there has been a surge of investments in real estate infrastructure sector with several new projects coming up in the city.

Kolkata is connected by all the four modes of transport: road, air, rail and water. Howrah and Sealdah are the two major railway stations, which connects to most national cities. A third station named Kolkata has also been planned. The Netaji Subhas Chandra Bose International Airport operates both domestic and international flights. However, international connections are limited to some South East Asian destinations like Singapore and Bangkok and few destinations in Europe. There are efforts to improve infrastructure at the airport to International standards to invite more and more flights out of this destination. There are passenger service through Kolkata docks to Port Blair and Andaman and Nicobar Islands.

The public transport is a mix of traditional and modern. Suburban railway, Kolkata Metro, trams, taxis, government and privately run buses, auto-rickshaws and cycle rickshaws comprise the main forms of transport. The Kolkata Metro, run by the Indian Railways, is the oldest underground system in India. It runs parallel to the Hooghly and spans the north-south length of the city covering a distance of 16.45 kilometres. It is one of the most efficient mass-transit systems for the city. Recently introduced luxury air-conditioned buses also connect parts of the city to Netaji Subhas Chandra Bose International Airport for daily travellers. The road space (matched with population density) in the city is only 6%, compared to 23% in Delhi and 17% in Mumbai, creating major traffic problems.

The chief tourist attractions are Victoria Memorial, Indian Museum, Netaji indoor Stadium, Eden Gardens, Birla Planetarium, Belur Math, Howrah Bridge, and Tagore House. However, most visitors come to this city to absorb the colonial charm, the erstwhile British architecture and the lazy, laidback lifestyle. Kolkata has long been known for its literary, artistic and revolutionary heritage. As the former capital of India, Kolkata was the birthplace of modern Indian literary and artistic thought. Kolkatans tend to have a special appreciation for art and literature; its tradition of welcoming new talent has made it a "city of furious creative energy".

The prominent convention centres are Science City and the Netaji Indoor Stadium. Apart from these, the larger hotels offering conference facilities are The Oberoi Grand, Taj Bengal, The Park, Hotel Hindustan International, ITC Hotel Sonar Bangla Sheraton & Towers, Hyatt Regency, Peerless Inn, Lytton Hotel, Ffort Radisson, etc. Kolkata has a total of 2,700 rooms in the 3-Star and above categories (for details, please refer Appendix 7.4). This city needs another 5,000 hotel rooms in the 3-5 star categories, within the next 5 years to cater to the rising business traveller requirements.

▪ JAIPUR, RAJASTHAN

Jaipur also popularly known as the Pink City, historically sometimes rendered as Jeypore by the British, is the capital of Rajasthan state, India. Jaipur is the former capital of the princely state of Jaipur. Maharaja Sawai Jai Singh II, the ruler of Amber, founded the city in 1728. The population in 2003 was approximately 2.7 million. The city was built of pink stucco in imitation of sandstone, and is remarkable among pre-modern Indian cities for the width and regularity of its streets. Jaipur, with its rich and colourful past, resplendent with tales of valour and bravery is now one of the most important heritage cities in India, and is a must-see for tourists coming to India.

Jaipur Airport is situated in its satellite town of Sanganer and chartered air services are available from London, Dublin, Singapore and Dubai. The city does not have international connections till now and the available facilities are limited. The city also has limited domestic air links with few domestic destinations like Jodhpur, Udaipur, Aurangabad, Delhi, Hyderabad, Kolkata and Mumbai. Most visitors to Jaipur have to use New Delhi as the gateway. The National Highway No.8 from New Delhi connects Jaipur and after significant improvements of the highway is a pleasant journey. Options from New Delhi also include a faster Shatabdi Express, which is comfortable for visitors. Jaipur is very well connected by rail with all major cities and town in India like Agra, Delhi, Mumbai, Howrah, Chennai, Mysore, Bangalore, Lucknow, Kanpur etc. across the country and to cities like Ajmer, Sawai Madhopur, Kota, Jodhpur, Bikaner, Udaipur within Rajasthan.

The key attractions in Jaipur are Nahargarh Fort, Ambar Palace, Jaigarh Fort, Jal Mahal, Hawa Mahal, Jantar Mantar, B. M. Birla Planetarium etc. The Amber Palace complex is one of the most popular tourist sites in the city, famous for its delicate mix of Hindu and Islamic architecture. Although the structure is today known as Amber fort, the complex was initially a Palace Complex

within the Fort of Amber, which is today known as Jaigarh fort. The Jaigarh Fort on the hills above the Amber Palace complex offers stunning views of the foothills of the Aravalli range, as well as attractions such as immense underground water-storage tanks, a medieval canon foundry and an impressive collection of medieval cannons including the Jaivana, which is reputed to be the world's largest cannon on wheels.

Jaipur hosts conventions in B. M. Birla Auditorium. The main auditorium has a capacity of 1300+ delegates in the theatre format; however, options are limited as far as smaller breakaway sessions are concerned.

Hotels with convention facilities include Jaimahal Palace, Le Meridien Jaipur, SMS Hotel and Welcome Hotel Rajputana Palace Sheraton. Jaipur has fairly limited accommodation options; the city currently has close to 1,600 rooms in the 3-star and above categories and close to 1,000 rooms in the 5-star range (for details, please refer Appendix 7.4).

▪ AGRA, UTTAR PRADESH

Agra, the home to Taj Mahal, lies in the western part of the state of Uttar Pradesh. It is a tourist destination and has UNESCO World Heritage sites. Economy is agriculture based and lot of Small Scale Industries (SSI) are also there. Handicrafts, Zari Zardozi, Marvel and Stone Carving from this city are also famous.

Airport nearest to Agra town is the Kheria Airport. However, only a few options are available as far as air travel is concerned. The main railway stations are four. New Delhi and Agra are well connected and several trains ply everyday between these two cities and the primary mode of travel between the cities.

Local transportation is of the form of city bus service in which UPSRTC operates. For visitors, hired taxis as well as Tangas are available for travelling within the city.

Agra is a major tourist destination and houses the world renowned Taj Mahal, Agra Fort, Fatehpur Sikri, Aram Bagh and Sikandra, the resting place of Mughal Emperor Akbar.

There is no designated convention centre in Agra, but the hotels hosting conferences are Jaypee Palace Hotel and International Convention Centre, Welcom Hotel Mughal Sheraton, Holiday Inn, Clark's Shiraz, The Oberoi Amarvilas, Taj View Hotel, Hotel Howard Park Plaza International, Atithi, etc. Jaypee Palace Hotel has a conference space of 6,800 square metres, while Clark's Shiraz has two halls with 3,000 and 5,500 square metres areas. (for details, please refer Appendix 7.4).

Agra has an inventory of 2,000 3-star and above rooms and about 1,100 of them are rated in the 5-Star category.

▪ GOA, STATE OF GOA

Goa is India's second smallest state in terms of area and the fourth smallest in terms of population. Panaji is the state's capital. Goa is India's richest state with tourism as its primary industry.

Goa has only one airport, the Dabolim Airport, which is controlled by the Indian Air force- most air connections to Goa are from Mumbai, New Delhi and Bangalore. Chartered flights from European cities arrive regularly at the Dabolim Airport and bring over a 100,000 tourists every year. There is a minor port at Margao and cruise liners stop at Goa. The state has two main railway stations and two national highways connecting to the rest of India.

The public transport consists of privately operated bus, auto rickshaws, taxis and yellow-and-black two wheelers motorcycle taxi.

Goa is also known as the 'pearl of the east'. The main tourist attractions are the beaches, church, ferry rides and coconut groves. Goa is visited by hundreds and thousands of foreign and domestic tourists each year and has become one of the most popular holiday destinations for European travellers.

In Goa, a new convention centre, International Convention Centre is coming up at Panaji, which can cater to the growing need for a proper convention facility in this city/state. This facility will have integrated meeting along with accommodation and restaurant facilities. An exhibition hall of 4,000 square metres area is also planned along with a multi-purpose Convention Hall. Currently, the Hotels having conference facilities are Fort Aguada Beach Resort, The Leela Goa, Majorda Beach Resort, Cidade De Goa, Part Hyatt Goa Resort and Spa, Goa Marriott Resort, Taj Exotica Goa etc- most of these hotels have capacities for 300-450 delegates. According to estimates, Goa has close to 5,500 rooms in the 3-star and above categories, out of which 2,500 are under the 5-star category (for details, please refer Appendix 7.4).

▪ KOCHI, KERALA

Kochi, formerly known as Cochin, is a city in Kerala. While Thiruvananthapuram is the administrative capital, Kochi is the economic capital of Kerala. It is the largest urban agglomeration in the state and second largest city after Thiruvananthapuram. Due to proximity from coast, there is little seasonal variation in temperature.

It is a mix of modern and ancient. It is a rising star in the Information Technology area, while tourism and international trade contribute substantially to the state economy. It is one of the fastest growing second tier metros in India. Business sectors are gold and textile retailing, seafood and spices exports, IT, tourism, health services and banking.

The Cochin International Airport handles both domestic and international flights and is the largest Airport in Kerala- most connections are domestic although a fairly significant number of flights connect destinations in the Gulf and Middle East catering to the Kerala Diaspora. A second airport run by the Navy also operates in the city. There are two main railway stations. Kochi ranks among India's major seaports due to its being a safe harbour. It also operates passenger ships to Colombo and Lakshadweep.

Currently, Convention and Conference options in the city are quite limited, and are catered to a limited extent by the premium hotels in the City. The Le Meridien Hotel in Kochi offers moderate conference facilities, with capacities of 270-1,350 square metres (with 500 –2,000 delegates in theatre seating option) across 9 halls. It has also some smaller spaces, which can be used for smaller meetings. Taj Malabar's convention facilities include a conference hall with the capacity to cater to 300+ delegates. In 2004, the Greater Cochin Development Authority (GCDA) had proposed a state-of-the-art Convention facility at Kaloor, however, because of lack of funds and other problems, the plan has not fructified yet. Kochi has 26 hotels and 1,400 rooms under 3-star and above category, with 400 rooms in the 5-star category. Its sister town Ernakulam also provides 250 rooms and 1- 5 star hotel with 110 rooms (for details, please refer Appendix 7.4).

5.1.6 Case Studies from India

▪ CASE 1- CAAPS, NEW DELHI

Organising Chair: 20th Congress of Asian Association of Paediatric Surgeons (CAAPS), New Delhi; November 12-15, 2006. www.aaps2006.com

The bidding process for the conference basically entails- a proposal from an association/ individual with some standing in the professional area, along with the support the person/ organisation enjoys from the government. For a medical conference, a nomination from the concerned medical association is important, which reduces the possibility of 'conflict of interests'. The individual, before the process of bid, seeks permission from the relevant association about his candidature to bid for the conference and following the process of approval can bid for the conference. Typically, it is rare that an individual may be offered to host a conference in the very first attempt, so it may be possible that he has to bid thrice over a period of 6 years or four times in a span of 9 years. Often this can be frustrating, but the bidder has to focus as his case might be in the pipeline for the next bidding process, when it comes up in the next meeting.

Because of the very nature of the bidding process, it is important that the individual has ample amount of support from the parent Association, from conference organiser and the government. Since the conference/ convention brings “name and fame” to the country, organisations like ICPB and other government agencies are expected to make concerted attempts to help the concerned group of people to showcase India in the international forums. This concerted effort needs to be there even before the actual success- when the bid is awarded to an Indian association.

The respondent suggested a proactive role for ICPB, where it can offer single-window services for a conference organiser by offering a range of services. More resources from the tourism ministry will help market the potential of convention business of India globally. He acknowledged the help received from several members of the ICPB community during the bidding process. He maintained that ICPB could play a more supportive role as a nodal agency for organisers who plan to attract international events to India.

When asked to elaborate on the various bottlenecks, he mentioned that there are large gaps as far as communication is concerned and there is no concerted effort to make the visit of the foreign delegates comfortable. Often ill-mannered personnel at the airports escort the foreign travellers, the first travel is made miserable by the avarice of local taxi and auto-rickshaw drivers and a host of other agencies. It often appears that the concerned personnel lack even the basic etiquette. Immigration is another concern, whereby delegates have to forego opportunities to attend conferences because of inordinate delays in visa processing.

According to him, ICPB should focus to improve India’s competitiveness in the global conference/ conventions markets by:

-  Working as a real ‘single-window’ entity to facilitate the hosting of conference/ convention for people who need professional help.
-  Adhering to strict guidelines and norms when inducting a member delegate/ organisation- focus on professionalism and proven track record before the organisation can claim to be a part of the bureau.
-  Becoming the liaison entity between the individual organiser and the government. The bureau should have the access to the highest-level authorities in the government and have the capability to bring in change- through strong lobbying and making its voice heard.

▪ CASE 2- ASIA PACIFIC DIGESTIVE WEEK, NEW DELHI

Organising Chair: <http://www.apdw2008.net/> (Asia Pacific Digestive Week) 21-25 September, 2008

The organiser of this event was interviewed about his bid for the 2008 Asia Pacific Gastro-Enterology Association Annual Conference, the efforts he is undertaking in the run up to this event, and his views on such events in India and how they compare with those held overseas.

He noted that this conference became an annual event only in 2000. Earlier it was an erratic event, which tagged along with other conferences. Since 2000, conferences have been held in Sydney, Singapore, Bangkok, Beijing, Seoul, Hong Kong, and Japan. Each time, the bid has been opened 2 to 3 years earlier. India had bid in 2005 for the 2008 event and was chosen. The event will be held in Delhi in 2008 and will be organized by the Indian Society of Gastroenterology.

He talked at some length about India's earlier bid in 2004 to host the 2007 conference, where it lost out to Japan. He commented on the differences in approach and coordination between India and Japan for that bid. In 2004, Japan, Thailand, Sri Lanka, and Korea were the other countries competing with India for hosting the 2007 conference. A presentation was required from all bidding organizations. He said that from the presentation stage itself it was clear that India and other countries too were outclassed by Japan, which had brought a delegation of 6 or 7 people. The Japanese team made a flawless 2-minute long power point presentation along with a clear scientific proposal, a detailed budget, details on event management, tour packages, hotels for all classes of participants, etc. The steering committee from Japan even hosted a party at the Japanese Embassy and gave gifts from Japan to all guests. The Thai delegation was smaller than the Japanese one, consisting of three persons, but was also quite good. He commented that it was apparent that India stood no chance for the 2007 event, but he also learnt from this experience and persisted to bid successfully the following year.

He said that for his second bid, he used the services of an event management agency to put together a brochure, a detailed document, and a movie, in addition to a 5-10 minute long power point presentation. The agency handled travel and logistics issues. The steering committee consisted of 10-12 members, who are elected or nominated representatives from different societies. The Indian Embassy in Seoul agreed to host a dinner but ultimately this could not be worked out due to scheduling problems. He also mentioned that he had done extensive canvassing, making use of various organizational networks and his own contacts to get support for India. For bid presentation he had taken along two other doctors and a person from the event management agency. No funds were required separately for this travel; everyone, including him as the chairperson of the Indian

Gastro-Enterology Association, was invited as delegate. The Delhi chapter of the organization paid for the travel costs for the agency's representative.

When questioned whether any assistance had been available at all from the government during the bid preparation and for funding travel, brochure printing, and other costs, he was categorical that he had stayed away from government. He did not seek any support from agencies such as CSIR, ICMR as he felt that there would have been too many conditions. ICPB did not play any role in the bidding process. This, he pointed out, is quite unlike the Chinese case where the Chinese government provided financial and institutional support and told its national organization to "go out and win the bid". The government support for the Thai team was also substantial. The support from the Indian Gastro-Enterology Association came in the form of an endorsement letter to him for the bid.

He said that while he had put in a lot of effort to win the bid, he did not feel that India's win was solely due to this fact. He attributed his success to other factors such as the rotation of the annual conference among countries in Asia-Pacific and the withdrawal of other competitors like Sri Lanka. Ultimately, the only country India competed with was Thailand, which had already hosted the event thus tilting the decision in India's favour. So, a combination of concerted effort by the Indian organizers, the packaging of material in a professional manner, canvassing, weak competition, and luck all helped India win the bid. He also noted that he had been strategic in his costing, by keeping the registration fee lower and had showed relatively low hotel costs (though this may not prove to be true in view of the room shortage in Delhi) to attract more participants and how that he would generate a revenue surplus from this event in India.

He then discussed about the choice of venue for this conference. He said that while Ashok Hotel is typically the choice, the parent body chose the Expo Convention Centre in Noida due to its state-of-the-art infrastructure. Its main disadvantage is that it is too far from the city and there is hardly any infrastructure around it. There are only about 100 rooms available around the centre and it is unlikely that the promised 250 or so rooms will materialize by 2008. This will require arrangements for travel to and from the hotels in Delhi. He expressed his concerns about the reliability of the transport arrangements.

He was asked about the requirements for winning an international bid based on his own experience. He mentioned four points in order of importance.

 It is essential to have good infrastructure both within the premises where the event is held and around it. Sufficient capacity, good seating, good audiovisual facilities, and hotel infrastructure are a must. Investments should be directed towards building up these facilities in India.

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- 🏢 The bidding group must show that there will be a profit from hosting the event. In his case, 50% of the profits will accrue to the Indian Society of Gastro-Enterology and the rest will go to the International Body.
 - 🏢 It is important to make a professional presentation.
 - 🏢 Networking, lobbying, use of contacts is required well ahead of time. Also, one needs to gauge one's competitors well ahead of time.

He also talked at length about his experiences in other countries and gave a comparative perspective of where India does not score well in hosting such international events. The main issue was infrastructure, starting from arrival at the airport itself and journey to the hotel from the airport to logistics and convention facilities for the event. He noted that overseas, they are sincere and better organized even in receiving guests. Our conference staff, from drivers to reception desk persons, all lack professionalism. They lack a sense of time and do not go all out to ensure that things go well. Road and transport infrastructure is another big drawback in India. He compared the case of Seoul, where the conference was held a few years ago. Although the conference venue was far from the accommodation, the event was well organized and the staff and drivers ferrying people from the hotel to the shuttle were well trained and punctual, the buses were good, and there were no delays. The roads and traffic conditions make it difficult to achieve these standards in most Indian cities. In his view, the Seoul Convention Centre is the best centre he has seen so far in Asia and comparable to those in the West. It has hotels on one side which are well connected to the centre, a basement where there is lot of scope for recreation, including cinema, food courts, pubs, and even a supermarket. Bus connectivity is good between the centre and the city. While the Sydney Convention Centre is good, the hotels are a bit far. He also pointed out that it lacks the warmth and hospitality that many of the Asian convention centres have. In his view, there is also a cultural dimension in hosting events where Asian centres score over their Western counterparts. He also talked a bit about his experience in Austria where at some international conference that he had attended, each delegate was issued a pass and unlimited travel on public transport (subway and bus) along with map. Such an option is not possible in India given our poor public transport infrastructure. While the conference in Beijing in 2007 is expected to be attended by 3000 or so people, it is expected that some 5000 persons will attend the event in India in 2008. The convention centre at Noida will be able to accommodate this number, but transport to and from the centre will be a problem and will increase the costs of his society significantly. Regulatory clearances are not a major problem in India or in most countries, though it is not easy to get clearance in the case of China, he noted. Pre-conference logistics, he said, are good at most places although different societies go about organizing events quite differently.

He was also asked about the benefits that would accrue from hosting this particular conference and more generally from hosting conventions and conferences. He said that as regards such events generally, there are economic benefits derived due to the people who visit the country and spend as tourists and delegates, visits that may be repeated in future. India gains visibility, tourism is promoted, and such events provide a good opportunity to showcase the country. For this particular

event, there would be benefits to the Indian medical community. Local scientists are always more likely to participate in such meets and present their work. More moderators, presenters, chairs, etc. are likely to be Indian than if the event were held elsewhere and the latter would get a better opportunity to project their views. Foreigners would get to know about the expertise available in India. Thus, there are research and networking benefits to the medical community in this field in India.

The discussion also touched upon the required measures to build India's conventions industry. He noted that first and foremost, one should build good and convenient convention centres in all major cities in India, namely in Delhi, Mumbai, Chennai, Bangalore, Kolkata, and Hyderabad. These centres should be connected with public transport. There should be surrounding entertainment and leisure related infrastructure, such as food courts, shops, and hotels in the vicinity, pubs, and other recreational facilities, along with safety measures. He noted that there is a tendency in India to think that the convention starts and ends with the centre but it is just as important to create the ambience around the centre so that people can enjoy their stay and have avenues for spending. Only such a holistic approach can maximize the benefits for the country.

When questioned specifically about the role ICPB can play, He stated that he would prefer its role to be limited to providing some financial assistance for making the bid as societies typically hesitate to put in money at the proposal stage itself. This assistance would cover printing and documentation expenses for the bid and any travel costs for the presenting team. He had incurred Rs. 60,000 for printing a simple document for the bid. He would have like the bureau to do it or at least subsidize it. Some corpus could also be made available by the bureau to throw a small party at the venue at the time of bidding, with the help of the embassy in the host country. He also noted that there is no marketing at all by India while others like Singapore do an excellent job marketing their country as a destination for conventions and conferences. They provide tour packages not only for delegates but for accompanying persons along with special offers at stores. India needs to think through a comprehensive way of organizing such events, from the bid through the hosting process. While government interference is not welcome, government's role is required in terms of preliminary financial and marketing support and development of infrastructure in and around convention centres.

Specifically, from the point of view of his society and probably most Indian professional societies, he said that although Indian professionals are ahead in many areas, India's representation is not good in international meets. It is costly to attend such meets and institutional money and government fellowships are limited. India's representation does not match its contributions and there are few Indians in steering committees which decide such bids, all of which work against India in bidding for international events. The Thai medical professionals get a lot of grants from their government if their paper is accepted (US\$2,500 to be specific) while Indian professionals are unable to go due to

lack of funds. All this feeds back into low visibility and poor marketing of India in international events.

He felt that India's chances of being a major global convention destination depends on a major improvement in its infrastructure.

▪ CASE 3- IPMA 2005, NEW DELHI

Organising Chair: International Project Management Association 19th World Congress 2005, organized at Ashok Hotel, New Delhi Nov 13-16, 2005.

He started by noting that convention related infrastructure comes in the way of building up India's conventions industry. The other problem he highlighted was that people who organize such events typically lack project management and integrated planning skills. One needs a sincere approach to detail in organizing such big events. In the absence of training for project management, the organisers face difficulties in creating and managing detailed plans.

He talked a bit about his own event, which he said he had hosted successfully. He bid for the event in November 2004. This was on high-level project management, with lot of ministers and policy makers attending. He coordinated the staff as the programme director and in his capacity as President of the Association of 42 countries. He said that no other congress had been so well organized in Delhi to the best of his knowledge. Everything happened like clockwork. Thirteen parallel streams organised in tandem went off without problems. There was no delay in any part of the programme. Around 300 foreigners and over 150 speakers attended the event. All publishing of documents was done locally in Noida. By Indian standards, this was a mega event with some 1300 delegates in all.

He was, however, not happy with several things in the run up to the event. He said the event management company did not handle the registration process well prior to the event by them and his organization had to put in a lot of effort to get the large number of participants that they eventually did. The event management partner fell short of his expectations. The company was selected based on a bidding procedure but this gave him no advantage as they were unable to get a single delegate over a long period. This indicated how little we have in event management support resources. He had considered 4 or 5 other competitors for this bid but he went by reputation and not pricing and still found the management unsatisfactory. He also outsourced some other parts of the event, such as hall management. He said he believed in trust and partnership with other organizations in hosting such events with sharing of profits so that there are adequate incentives to partners.

He expressed dissatisfaction on some regulatory issues, such as traffic police approval requirements for some events that he had organized in certain venues, like the Bharatiya Kendra which led him to change the venue to Shri Ram Kendra. He thought some of these regulatory clearances were

unnecessary. He mentioned lack of transparency and documentation on the part of regulatory authorities, which made it difficult to know in advance what is allowed and the checklist that has to be followed. Traffic jams were another problem he faced, which made it difficult to keep things on time, but he managed to get the event going on time and to maintain schedule. He also said that the tolerance for poor quality is high in India resulting in poorly organized events. The bar needs to be raised on standards.

This event, which is held annually, will take place this year in Shanghai. Earlier it had always been in Europe. After Shanghai, it will again go back to Europe for the next 20 years. So, there is not much of an issue of getting a bid as it happens more or less by rotation.

In general, he stressed the need for training courses on project management skills for key personnel in the conventions business. He said that certified project managers and scientific ways for getting such skills (knowing the typology, methodology, etc. of executing projects) needs to be emphasised if we plan to attract and host large events.

▪ CASE 4- WORLD TREENUT CONVENTION 2008

Organiser of Kaju India 2006- The Golden Meet, Kovalam, Kerala. September 15-17, 2006. (Discussions focussed on World Treenut Convention).

The Cashew Export Promotion Council (CEPC) plays an important part in promoting Indian Cashew Exports by participating in specialised International Food Fairs/ Exhibitions/ Fairs abroad. India recently lost the bid for World Treenut Congress (WNC) to Chile for hosting the 2008 Convention. However, this was primarily because of the fact that the Spain-based International Nut Council (INC) was renamed as the International Nut and Dry Fruits Council, and as Chile is the largest player in Dry Fruits, Chile was offered to host the Convention. There are benefits for bringing the congress to India. INC has a budget of € 1600 per delegate and the total number of attendees is usually close to 600-700, which translates into a revenue flow of a Euros 1 million for the local body- to be used to spend on dinner, lunch and delegate kits to participants. India as a venue can offer an extensive range, being the largest player in Cashew in the world. With good infrastructure and entertainment options, golf courses and spouse tours, it can be made attractive. Hosting a conference in the country can be very cost effective and there is a huge potential for tourism too, which can be capitalised.

Recently, Kaju India 2006 hosted in Kochi was a success. A total of 245 delegates participated in the event. This included 118 Cashew Export Promotion Council (CEPC) members, 84 non-members (Domestic- Brokers, Traders, Service Providers, etc.) and 43 foreign delegates - comprising of Buyers from markets around the world. These buyers account for 80-85% the global trade in cashew. This kind of a conference serves as an effective buyer-seller meet. The World Cashew Congress was held

earlier (2002) at Kochi, Kerala. These meets can have potentially huge benefits; quality up gradation, knowledge updating and face-to-face interactions with potential buyers help improve understanding of the market needs.

Help from the government is provided through the Market Access Initiative (MAI) Scheme through the Ministry of Commerce. Government funds 2/3rd of the expenses for the event to the tune of Rs. 2 million. This fund helps cover venue costs, publicity, cost of catalogues, hiring charges for translator/ interpreters, etc. The government is also promoting similar marketing initiatives through the Market Development Assistance Scheme.

The impact of events like Kaju India 2006 can be summarised as follows:

Firstly, the awareness about technology and its usage can be spread among the exporters; an exhibit was arranged by the Agricultural University for educating exporters about processing of cashew- that was useful.

Secondly, exporters can gain because of the greater access to world markets.

Thirdly, the local economy also benefits from the hosting of the conferences, as there is tourism expenditure, employment opportunities, which are generated.

The respondent was not aware of India Convention Promotion Bureau (ICPB) and its activities. However, on being apprised of the activities, had the view that ICPB has a role to play in preparation of bids and marketing of the conferences.

5.1.7 Summary highlights from Case Studies and Interviews

-  Almost all the organisers have expressed their concerns over infrastructure; lack of roads, adequate capacities at airports as well as quality accommodation facilities at reasonable prices. Overall, the current infrastructure is not capable of handling very large conferences even at major destinations.
-  Visa regime needs to be simplified.
-  Most organisers felt that high hotel rates during the tourist season are a dampener for attracting events to India.
-  Support from the government to bid for conferences can bring tourism revenues to India. Governments of Thailand, China and Taiwan and other Asian countries send impressive delegations, which strengthen their cases. Delegations from these countries arrive with

aggressive backing and clear mandate from the government to bid and win conventions, which can be adopted by our Indian government.

-  A professional body to track international meetings market and support Indian associations will help tilt the decision for location in favour of India. ICPB's potential role is enormous in terms of providing guidance for organisers.
-  Most agreed that the benefits of organising international conferences cannot be measured only in expenditure terms- they open up far greater opportunities- access to markets, boosting entrepreneurial ventures, giving young professionals opportunities to interact with the best of the minds in the world.

5.1.8 Identifying Gaps- Infrastructure + Institutional + Regulations

In this section, we have summarised the key gaps in attracting international conventions to India. These observations were arrived through an analysis of the consumer survey (identifying key dimensions), study of prominent international destinations, interviews with professionals which are described under the section on case studies.

-  Most prominent convention destinations have succeeded because of a conscious effort to develop infrastructure for convention business. Although most European and North American convention centres have been largely funded by public investment, experiences from Singapore, Bangkok and Jakarta indicate that Public-Private Partnerships (PPP) can work equally well.
-  The critical aspect is to understand the Eco-System for convention business, which thrives on availability of good quality and affordable hotel rooms, excellent connectivity, well developed public transport network and ancillary facilities around the convention venue.
-  Top destinations in the world have retained their position due to support provided by their governments. Most cities have invested heavily in local transport network- an integrated mass transit network to enable travellers seamlessly transfer between different transport facilities within the city. In India, these investments have been patchy. ICPB, as a nodal agency, is uniquely placed to lobby with the governments at the central and state level for improving convention and allied infrastructure.
-  Almost all conference organising associations and individual organisers agreed on the need for a nodal body, which can facilitate the entire process of convention management. They reiterated the need for a single-window clearance mechanism through ICPB. However, awareness of ICPB is limited outside Delhi.
-  Most Asian destinations are now aggressively marketing their convention facilities. Their diplomatic missions actively support delegations while bidding for conventions. India's diplomatic missions abroad will have to play a greater supportive role especially during the bidding process

for conventions. ICPB and the India Tourism offices will have to exhibit visible support from the government during the bid presentation.

 Convention Boards around the world including Vienna, Singapore, Brussels and Bangkok have been lauded for their pro-active role in promoting conventions in the city/ country. ICPB is currently perceived as a 'liaison' body, which informs potential opportunities to its member fraternity. Thus there is scope for enhancing ICPB's role.

 Although inbound tourism has grown significantly in recent years, tourism policies need to evolve to catch up with more tourist friendly countries. The immigration process deters many from travelling to the country. Many organisers felt that the Conference visa requirement should be done away with as this acts as a deterrent to travellers planning to visit India.

 The shortage of hotel rooms and multiplicity of taxes lead to high prices in major tourist destinations in India making these centres less competitive as compared to places like Singapore and Bangkok. One of ICPB's roles will be to lobby with the central and state governments to rationalise the taxes applicable for tourists.

6 ICPB- Future directions

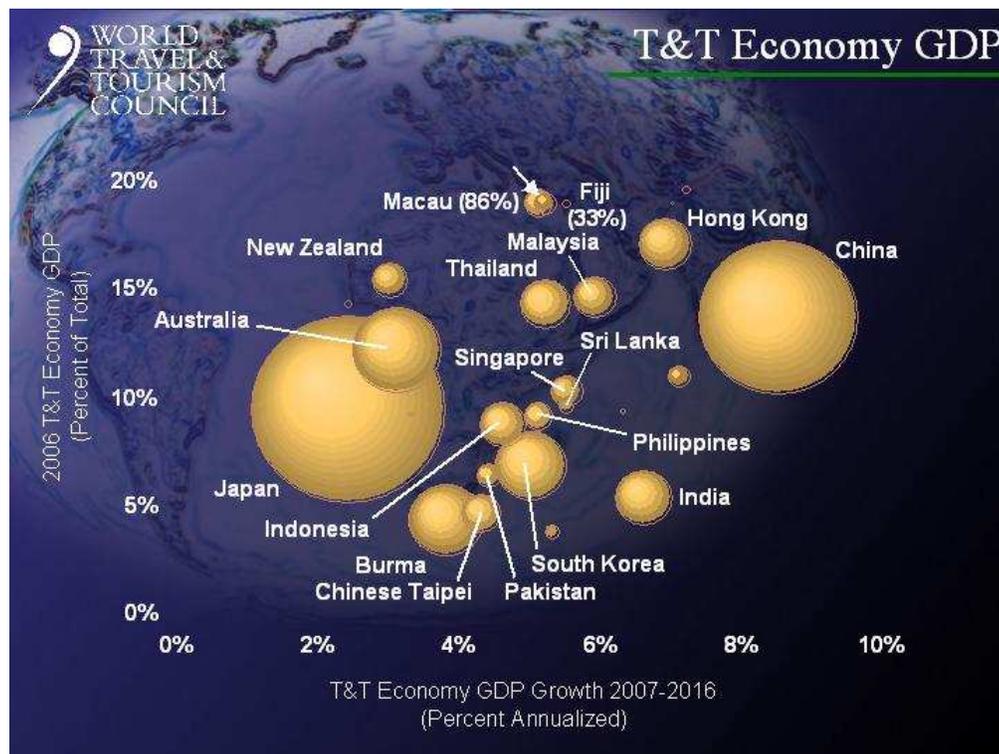
The focus of this chapter is to look into the Indian Market context and suggest some strategies for positioning as well exploring emerging opportunities in the worldwide conventions market. The analysis of this chapter comes as a culmination of the analysis of the domestic and international market and emerging trends. Organisational changes and prescriptive guidelines are also suggested for leveraging emerging opportunities in the market.

6.1.1 Review of Market

The South Asian economies are expected to contribute significantly to the global travel and tourism market in the next decade (2007-16). Based on an analysis of direct and indirect impacts of the tourism sector, WTTC has estimated that Travel and Tourism (T&T) will contribute about 7% to India's GDP. Currently, tourism contributes to 2.4% of the GDP and rough estimates indicate that the conventions contribute to about 0.1-0.16% of GDP or 5% of total tourism revenues as shown in the figure below.

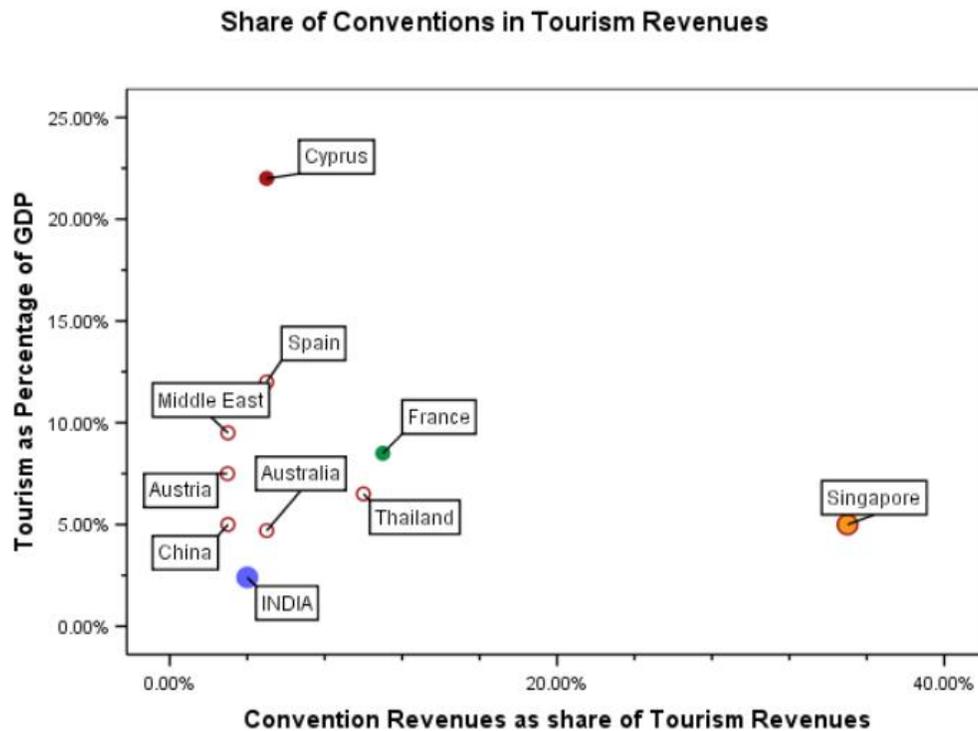
Figure 10: Travel & Tourism Economy is Asia Oceania Region (growth vs. Share) Source: WTTC

While the share of the conventions market is small compared to the total tourism market, India fares



as well as other important convention destinations like Austria, China and the Middle East in terms of the size of this segment, which is close to the world average of 5-7%. However, the total tourism market for India is currently small as compared to the huge potential for growth. India's share of 0.1- 0.16% (conventions market) of GDP is much less than the world average of 0.4-0.5% of GDP for larger well-developed economies, and an average of around 1-1.5% for smaller countries. There have been efforts from the state governments to set up convention centres in various destinations with public funds as well as private-public partnerships to promote convention tourism. These investments are expected to have a positive impact on the convention market in the country. In the following section, we assess two models for developing convention centres and related infrastructure.

Figure 11: India- Tourism share in GDP as well as Conventions' share in tourism revenues (Source: National Account Statistics of various countries)



Currently, India's Tourism share is close to 2.4% of GDP, whereas the share of conventions business as a percentage of Total tourism revenues is comparable with other key destinations. Singapore stands out because of its large share of conventions business in total tourism revenues with close to 30% of total tourism revenues. India is expected to increase its tourism shares (as % of GDP) in the coming years, with more tourism friendly policies and it is expected that conventions as a percentage of tourism expenditure would also grow.

6.1.2 Developing Convention Infrastructure

▪ GLOBAL MODELS

Two different models have been adopted for setting up infrastructure for conventions and meetings business around the world. Cities in North America and Europe have depended on public investments for setting up conventions infrastructure. These two regions had dominated the market for conventions worldwide since the seventies. In recent years, the emergence of conventions' destinations in the Asia-Oceania region has paralleled the emergence of strong economies. The Asian model for growth in conventions business has been fuelled by mostly private enterprises; Singapore, Bangkok, Kuala Lumpur and Jakarta are good examples of private investments driving growth in conventions markets. In India, the Hyderabad International Convention Centre (HICC) is an example of such a facility. This Rs 300 Crore centre was set up as a joint venture between Dubai-based Emaar Properties and the Andhra Pradesh Industrial Infrastructure Corporation Limited in a 76-24 per cent partnership.

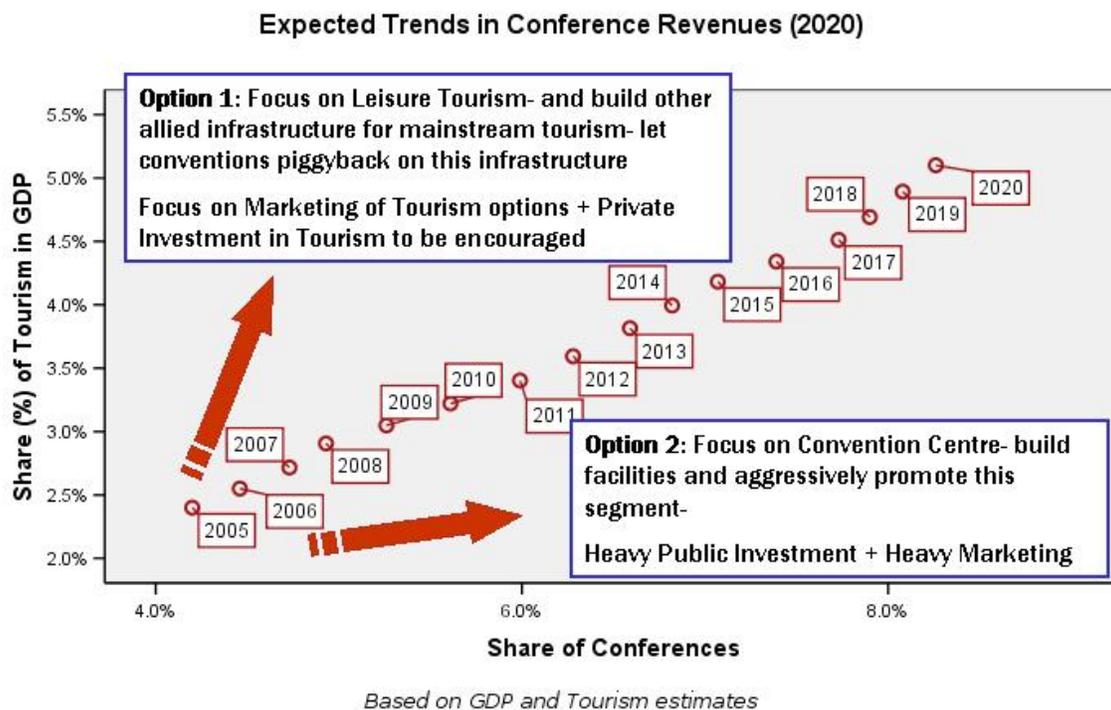
The following sections delve into the two options that can be explored at different levels, the Central and the various State Governments, ICPB and the Ministry of Tourism.

▪ GOVERNMENT INITIATIVES- OPTION 1 (BOTTOM UP APPROACH)

Tourism in India is poised to grow, buoyed by recent initiatives from the Ministry of Tourism. Business Tourism is also growing because of the rising economic importance of the region. India's sterling performance in areas of IT, Biotechnology, Medicine as well as manufacturing have made it an economic hotspot. However, amidst this growth, concerns remain regarding the various infrastructure requirements, viz. airports, quality roads and most importantly adequate number of hotel rooms across all price ranges. The current boom has witnessed the steep rise in room tariffs across cities in India, especially for properties in New Delhi, Mumbai, Chennai, Hyderabad and Bangalore.

From the point of view of the hotels, it can be mentioned that along with this economic boom, the cost of real estate has soared in these cities, which make it prohibitively expensive for these hotels to opt for ambitious expansion plans, which are needed to bridge the demand-supply gap and stem the rise in room tariffs. The State governments can step in to encourage the capacity building activities of various hotels, by offering tax sops and aiding land procurement. Most top-end hotels can be extended further incentives for developing larger capacity (800-1000 delegates) convention facilities, which can cater to the medium sized conferences and conventions.

Figure 12: Future Directions- Growth Projections in the Conventions Business- Options



The share of smaller meetings with fewer delegates (50 to 499) is increasing as a percentage as shown in the table below. These are mostly the conference/ conventions handled by various professional associations, who tend to meet annually across different destinations in the world.

Studies have indicated that free-standing Convention Centres may not be financially viable. The existing inventory of convention facilities may be adequate to meet the demand in the short term if there is careful planning and conscious effort to market existing convention facilities and hotel rooms during the lean seasons. At present, most conferences are organised during the peak tourism months, stretching the already overloaded tourism infrastructure.

Table 16: Average Number of Participants at International Meetings Per year.

Category	Number of Meetings (2000-2005)			
	2000	2003	2004	2005
50-149	259	505	576	750 ↑
150-249	333	454	533	573 ↑
250-499	558	583	744	766 ↑
500-999	455	426	550	535
1,000- 1,999	276	239	277	284
2,000- 2,999	78	60	81	74

Category	Number of Meetings (2000-2005)			
3,000- 4,999	60	55	66	72
5,000-10,000	34	28	32	38
10,000 +	15	9	11	12

India can consciously target these smaller conferences to utilise the existing convention facilities in the short term. Meanwhile, the focus should be on developing convention related infrastructure and all aspects of the 'eco-system' required to support the long-term sustainability of this sector.

6.1.2.1 Highlights for Option 1- (Bottom Up Approach)

-  Maintain current growth in Tourism- encourage Hotels and Private operators to increase accommodation. Invest in Allied Infrastructure- Airports, Road Network, etc.
-  Encourage hotels to build medium range (800-1,000 delegate) convention facilities
-  Use conventions to smoothen seasonality across year- this would lead to better utilisation of facilities during the lean tourism months. This can be done via special promotional tariffs during "off-season" and reduced tax rates to encourage more visitors.
-  Focus on smaller conferences segments- promoting Indian destinations to International Associations. Key benefits from catering to these segments are:

Smaller delegation- can be managed much easier in view of the infrastructure bottlenecks that are present in the country- so even in short term this market can be approached

Premium segment- average revenues per delegate much higher, however, positioning and attracting such a premium segment would mean that infrastructure backup has to be of top quality. Extremely discerning segment- possible negative word of mouth in case of failure to deliver on promises.

▪ GOVERNMENT INITIATIVES- OPTION 2 (TOP DOWN APPROACH)

The other option for the government, involves a replication of the North American/ European model, investing in building Convention infrastructure. Currently, these efforts are going on in New Delhi for the development of the Dwaraka Convention Centre, in Goa, and in Bangalore (near the new International Airport at Devanahalli). However, in some cases the government has entered into negotiations with private parties and convention / exhibition centres have been developed through the public-private partnership (PPP) route.

The finance and the tourism ministries have initiatives for developing convention infrastructure through the (1) Viability Gap Funding and (2) Assistance for Large Revenue Generating Projects (LRGPs) respectively.

The Finance Ministry is providing financial support to bridge the 'viability gap' of infrastructure projects undertaken through Public Private Partnership (PPP) for developing international convention centres and tourism related infrastructure. Viability gap funding will normally be in the form of a capital grant at the stage of project construction. Other forms of financial assistance (e.g. subordinated loans, operation and maintenance support grant or interest subsidy) require sanction on a case-to-case basis. The viability gap funding is limited to twenty percent of the total project cost. Funding can range from below Rs. 100 Crores to over Rs. 200 Crores with defined sanctioning authorities ranging from an Empowered Institution to the Empowered Committee, chaired by the Additional Secretary (Department of Economic Affairs, Ministry of Finance) and the Finance Minister. (Source: http://finmin.nic.in/the_ministry/dept_economic_affairs/uuu/PPPGuidelines.pdf). The LRGP scheme of the Ministry of Tourism provides assistance/subsidy to the tune of Rs 50 Crores for setting up convention centres. In addition, the Finance Ministry has also announced tax incentives for developing convention centres in the national capital region (NCR).

Such aggressive plans for development of infrastructure are expected to attract some business immediately. However, the long-term viability of such a model would come from building an integrated system or the 'Convention Eco-System'. A stand-alone Convention Centre does not automatically generate business tourism revenues. Most Asian countries have followed a model, where Golf Courses, 5-Star rooms, Clubs, Theatres and other sources of entertainment and other tourist attractions complement the convention facilities in most locations. Examples include the Suntec Convention Centre in Singapore and Putrajaya in Kuala Lumpur.

The top down development of convention infrastructure can be taken up in a phased manner; focussing on already well-developed centres/ clusters and then moving onto the less-developed clusters. Currently, the six (6) leading conventions destinations, or broadly two (2) regional clusters can be focussed in Phase 1- Cluster 1- New Delhi, Agra and Jaipur and Cluster 2 would be Mumbai/ Pune, Goa and Bangalore. The choice of these two (2) major convention clusters is because of the wide range of opportunities and attractions they can offer visitors. In the subsequent phases, the development of conventions infrastructure can be extended to other cities and towns in the country.

 Cluster 1: Visitors to any city in this cluster have access to any of these cities, quite easily as the connectivity is good, New Delhi offers excellent ambience for business, Jaipur offers Rajasthan's grandeur, and Agra is of course famous in its own right as a tourist destination. For conference visitors, it would be an ideal mix of business and pleasure.

 Cluster 2: Bangalore, with its emergent economy is a hot destination for business travellers, however, it offers less in terms of leisure tourism options (apart from its pubs!), which can be supplemented by a visit to Goa, with easy connectivity with Goa, and people can touch down at Mumbai- as the exit point. Alternatively Mumbai can be marketed as the convention destination, with a short trip to Goa to supplement that.

These two clusters can have huge potential for convention tourism if marketed in an integrated manner, where leisure tourism (Goa, Agra and Jaipur) can be used to complement business interests (Mumbai, New Delhi and Bangalore). In the subsequent phases, convention infrastructure in cities like Hyderabad, Kolkata, Chennai and Kochi, can be further developed to create the “Eco-Systems”. There are possibilities for Chennai too, by developing a complementary location for leisure at Pondicherry or Mahabalipuram. Kochi similarly could be positioned along with backwaters of Kerala.

A key aspect of this model is that individual state governments need to develop regional models of cooperation to facilitate the smooth flow of conventions visitors/ delegates traffic between states to facilitate the growth of these “Clusters” as effective “Eco-systems”.

6.1.2.2 Highlights for Option 2- (Top Down Approach)

-  Public Investment complemented by private participation in Convention Infrastructure can jumpstart the convention business. Focus should also be to develop other complementary infrastructure - airports, hotel rooms and road networks to ensure sustainable business growth.
-  Focus should be to develop and utilise the conventions 'Eco-System'.
-  This infrastructure can be planned in two distinct clusters- covering six (6) cities as part of the Phase I of development. In Phase II, the other 4 cities may be covered under subsequent plans.

New and upcoming convention and exhibition centres in Goa, Bangalore and Hyderabad have been set up through the Public-Private-Partnership (PPP) model.

Goa Convention Centre

A new Convention Centre is coming up at Dona Paula, near Panaji. It is being developed as a Public-Private-Partnership project with the government providing 25 acres of land to the developer, the DLF Group, which was selected through a competitive bidding process. The project cost is estimated at Rs400 Crores. It will operate on the Build-Operate-Transfer (BOT) model. DLF will pay the Government of Goa a sum of Rs161 Crores during the signing of the contract and a 5% share of the revenue from the fifth year onwards. The convention centre will cater to 2,000-4,000 delegates. The integrated complex will house a gymnasium, shopping mall, various recreational facilities and two hotels. DLF plans to invite the Hilton Group, its existing joint venture partner for hotels, to participate in the development of the hotels. This project is expected to be completed in 18 months, i.e., September 2008. Goa Tourism is trying to tap the growing MICE segment to manage the demand in off-peak seasons, and there is also a plan to position Goa for “Golf-Tourism”, with a golf course being planned at Betul, in South Goa.

Bangalore International Exhibition Centre (BIEC)

The Indian Machine Tool Manufacturers' Association (IMTMA) has set up the international exhibition centre at a cost of over Rs. 120 Crores on a private-public partnership basis. The funds for this project were shared by the Government of India (a grant of Rs. 35 Crores), IMTMA (Rs. 40 Crores) and the EXIM Bank, which provided Rs. 40 Crores for the project and Rs. 10 Crore as bridge loan. The convention centre is built on 40-acres purchased from Nandi Infrastructure Corridor Enterprise (NICE) at concessional rates. The centre has facilities for exhibitions, product demonstrations, international seminars and skill development training and support facilities. It houses a design institute, the country's first such private institution for training young engineers on the latest in design skills, apart from having a productivity training centre. It will host the Association's highly acclaimed International Machine Tool Exhibition (IMTEX) and other IMTMA-organised events. IMTEX 2007 and ToolTech 2007 were organised at the BIEC during January 2007. The centre is also available to the Indian industry for scheduling international events. The association has also tied up with Deutsche Messe AG – owners of world's largest exhibition facility in Hanover, Germany for organising exhibitions at the BIEC and for promoting BIEC worldwide. Deutsche Messe will also conduct training for personnel managing the BIEC.

Bangalore International Convention Centre (BICC)

The Karnataka government has presented a plan for developing a Convention Centre near the upcoming international airport at Devanahalli. This centre, with a seating capacity of 5,000 and hotel accommodation for 3,000 tourists, has been planned to attract the MICE sector and international business visitors. The centre will be built through the public-private partnership route. Karnataka State Industrial Investment & Development Corporation Limited (KSIIDC) has already allotted 35 acres of land near the airport complex to Karnataka State Tourism Department for developing the convention centre. Competitive bids have been invited from interested parties. It is expected that work will begin in the next financial year (2007-08).

Hyderabad International Convention Centre (HICC)

This world-class convention centre was completed in just 11 months, at an expense of \$39 million (Rs180 Crores) near Hitec City, in the outskirts of Hyderabad. HICC has been built by Cyberabad Convention Centre Pvt Ltd, a joint venture between UAE-based Emaar Properties and the Andhra Pradesh Industrial Infrastructure Corporation Ltd (APIIC), a government-owned company. Emaar Properties holds 74 percent stake in the joint venture while 26 percent is held by APIIC. The government supported the project by allotting 15 acres of land. A five-star 300-room Novotel Hotel, an 18-hole Golf course and plush villas have been developed near the Convention Centre. The Emaar group has invested \$35 million for the convention centre and another \$30 million to develop the hotel.

Dwarka Convention Centre (Proposed)

The Delhi Development Authority (DDA) has recently invited proposals from developers and private investors for construction of the upcoming International Convention and Exhibition Centre at Dwarka in South Delhi on BOM (Build Operate Maintain) basis. This facility is expected to house Convention and Exhibition space, along with hotels and allied commercial facilities. DDA has earmarked 35 acres for this project and the total built up area is estimated at 183,000 square metres, and 86,000 square metres would be part of the Convention and exhibition centre. Hotels would have at least 800 rooms, out of which 300 should be in the five-star and above categories.

▪ PROPOSED PATH OF DEVELOPMENT

It is evident from the discussions that India needs to focus on developing allied infrastructure to attract conference visitors. For a developing nation like India, the bottom up approach entailing investment in Roads, Airports and Hotel rooms is the logical direction ahead, rather than heavy public investments in building stand-alone convention centres. However, it should be borne in mind, that at least one world-class convention centre needs to be developed in each of the top 10 destinations in the country to demonstrate the capacity to host large international conventions. Although, the current market trends indicate a steady shift towards smaller sized (delegate-wise) conventions, it is also true that all the major convention destinations have invested in building impressive convention facilities to signal their capabilities of hosting large conventions.

Therefore focus should be to:

-  Build allied infrastructure, e.g. Roads, Airports and Urban transport facilities
-  Encourage private investment in increasing Room capacities
-  Facilitate P-P-P to set up integrated world-class convention facilities in the top 10 destinations to signal capabilities

▪ VIABILITY GAP FUNDING- THE "END ALL" SOLUTION?

The Finance Ministry's plan to consider viability gap funding for infrastructure sectors is a welcome initiative. However, it should be noted that viability gap funding by itself cannot help in encouraging private partnerships in building convention infrastructure as has been observed till now. The lack of modern convention infrastructure in the country has been because of the limited development of allied infrastructure in the country. Most private investors realise that the long-term viability of any investment in modern convention infrastructure would only stem from the growth in allied infrastructure, adequate roads, efficient and integrated urban transport, airports and rail infrastructure, etc. Similarly, adequate investments in education and subsequent manpower development are also required to make the convention industry grow. While most tourism analysts

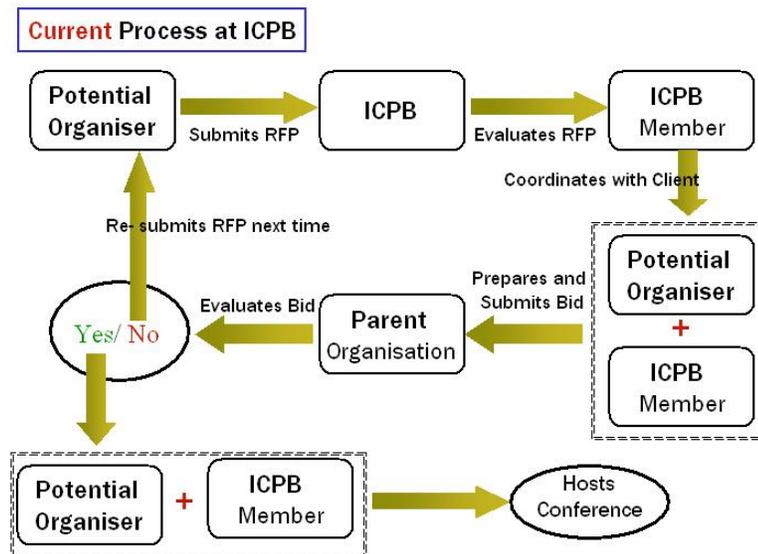
have expressed optimism about the growth of leisure and business tourism in the country, they are concerned about the slow growth in supporting infrastructure. India could miss out potential opportunities during the travel and tourism boom due to infrastructure inadequacies.

6.1.3 Marketing Process and Organisation Structure- Action Plans

▪ PROSPECTING FOR NEW BUSINESS

At present, ICPB's role in promoting conventions in the country is limited due to resource constraints. The marketing activities have been confined to presence at stalls during the EIBTM, IMEX and other major international travel and tourism related events.

Figure 13: The Current process of handling new requests



The study of the annual budget indicates that funds available for marketing activities and promoting convention business in the country is quite limited. Therefore, the efforts must be to make ICPB into a self-financed entity in the coming years. At the same time, efforts should be put in place to infuse professional management into the organisation to run the various marketing related functions.

6.1.3.1 The Way Ahead

ICPB can play a greater role in promoting the conventions business. However, this would require several changes in the way the bureau's organisational structure. ICPB can take up a much more proactive role by generating leads from information available in conference databases to which it subscribes. It can use this information to encourage professionals in respective areas (e.g. medicine, biotech, etc) to bid for upcoming events. Being a nodal agency, it can further facilitate by working

with the Ministry of Home Affairs (MHA) for faster clearance of conference visas for these events. As the risk of managing the bidding process is quite high, ICPB can be an important part of the entire bidding process lending credibility to the bid. It can also create provisions in its budget to fund bids for larger conferences.

▪ **BUILDING THE ECO-SYSTEM**

The long-term sustainability of conference business can be ensured through building an extensive network of allied infrastructure, which ranges from availability of hotel rooms, excellent connectivity to the venue, a well-developed transport network and other tourist attractions. Currently, this understanding of dependence is low, and conventions are regarded as a stand-alone phenomenon. As the nodal agency, ICPB too has a similar role to play, bridging other members in this network. The following figure summarises this view.

Figure 14: ICPB and other members in the Network



ICPB, by virtue of its position, is well connected to the Ministry of Tourism, Professional Convention organisers, various Convention Centres and other Hotels and Restaurants (marked in continuous lines). However, it is imperative that the organisation develops effective networks with entities like the Home Ministry (as well as MEA), Airport Authority of India and Urban Local bodies, which are pertinent for holding conventions/ events in any destination. Several world destinations have established procedures for facilitating the conference/convention visitors' entry to the country by setting up separate, dedicated kiosk for arrivals at airports, access to places of interest in the destination, by working closely with these respective entities.

▪ AVAILABILITY OF FUNDS FOR ICPB

Convention Promotion boards/ bureaus in major convention destinations have large budgets earmarked for promotional activities. The city-state of Singapore has an annual budget of US \$100 million for the Singapore Tourism Board. Similarly, popular city promotion bureaus in Europe have budgets in the range of € 1 to € 5 million for running respective bureaus. In the USA, even a smaller city (e.g. Albuquerque in the State of New Mexico) boasts of a budget of over US \$ 5 million for running its operations. Compared to these figures, the ICPB's fund availability of Rs 5 million for promoting convention destinations countrywide is too small. As far as expenses are concerned, ICPB spends a large share of its funds on promotional expenses; however, in terms of absolute numbers the amount is quite small. A marketing budget of at least Rs 1 Crore is required to promote individual destinations in the country.

Table 17: Sources & Use of Funds (percent wise) for popular International Destinations vis-à-vis ICPB

Revenue Head	ICPB (%)	Singapore (%)	Barcelona (%)
Share of Public funds through Cess/ Tax sharing with State/ Central Govt.	0	23	0
Government Funds	41	77	16.5
Membership Fees	29	0	35
Marketing Activities generating funds	30	0	48.5
Expense Head	ICPB (%)	Singapore (%)	Barcelona (%)
Promotional Activities	75	90	48
Personnel Costs	12.5	5	33
Surveys & Research Publications	10	5	19

A significant share of the revenues of major convention bureaus comes from a share of the city, state and central government taxes. Visitors to Vienna, Warsaw as well as other European destinations are charged a bed-tax equivalent of € 1, which is used by the city promotion bureaus to further promote the city and market its key events. Others have opted for a percentage share in revenues from taxes, where the city promotion bureaus get tax funds from city councils. A similar mode can be opted for ICPB. As an alternative to the fixed tax and percentage share mechanisms, the hotels, restaurants and other recreational establishments can charge a slabbed tax based on the “star” ratings, as shown in the table below.

However, tourists/ visitors in India are heavily taxed- so these additional taxes may become a burden. Rationalisation of taxes applicable taxes for tourists/visitors need to be carried out and the cess should be part of the rationalised framework, and not merely added to the existing taxes.

Table 18: Slabbed “tax” or Cess for Hotels/ Restaurants / Recreational Centres (Suggestive figures)

Categories of Establishment	Tax Or Cess (Rs.)
Hotels Less than 3 Star	50
Hotels with 3 & 4 star ratings	75
Hotels with 5 Star Ratings	150
Hotels with 5 Star Deluxe and higher ratings	200
Restaurants with bills greater than Rs1000	50
Restaurants with bills greater than Rs5000	100
Recreational Facilities (Spa, Bowling alleys, etc) for services over Rs 1000	25
Recreational Facilities (Spa, Bowling alleys, etc) for services over Rs 5000	50

ICPB has two distinct roles, which is promoting individual destinations as well as India as a whole. The regional offices would manage the promotion of individual destinations, while the central office of ICPB can engage in promoting India as a convention destination. Funds to the order of Rs 5 Crores need to be earmarked for each of the 4 regional offices, while Rs 10 Crores would be needed at the central office.

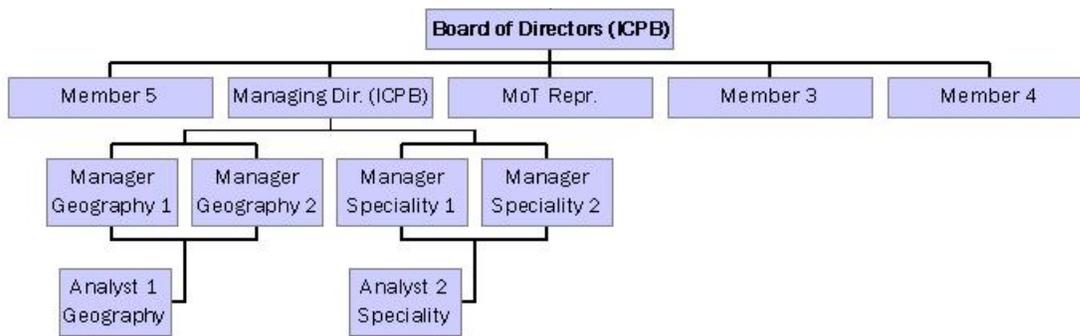
Other sources of funding include the Market Access Initiative (MAI) Scheme proposed by the Ministry of Commerce, under which the ministry can fund various marketing projects abroad. This would allow holding an event abroad to promote India as a unique convention destination (funds upto Rs 5 Crores) or Brand Promotion Activities (upto Rs 1 Crore).

▪ ORGANISATIONAL STRUCTURE

Any public private partnership has to be run by professionals to manage conflicts of interest that arise on account of differences in objectives in the functioning of any council. Hence it is proposed that ICPB immediately appoint professional managers who report to the board comprising of members from the government and the industry. Further, most established convention bureaus have a large staff base of at least 8-10 Full Time Equivalent (FTE) comprising of market development officers and market analysts.

With the setting up of regional offices, these offices need to replicate the process/ systems of the central offices and need to be staffed by marketing professionals, engaged in analysis and market development activities at the zone/ state levels.

Figure 15: Proposed Organisation at ICPB- exploring competence and expertise areas.



Most of the world destinations have developed some “competence areas”. For India to develop such niches, extensive research and services marketing capabilities need to be promoted. In order to address this need, professional managers can be hired from the travel and tourism industry with specific training and inputs on convention business. In the short-term horizon, professional managers can be hired with focus on geographical segments, or according to target customers’ specialities (Medical Conventions, IT and ITeS or Education focus) and then subsequently aligned according to the specific geography & speciality combinations. Vienna Convention Bureau has a set of managers who have responsibilities shared across geographies including domain specialities (e.g. Medical, Physics and Technology, IT, etc.) The managers and analysts can be trained periodically in various marketing tools and techniques- e.g. Barcelona City convention bureau hosts regular training modules for its managers with its partnership programmes across 7 top European business schools. Similar training modules can be developed for ICPB in marketing, communication and project management tools through reputed educational institutes and corporate entities.

MANPOWER DEVELOPMENT

According to the Federation of Hotels, Restaurants Association of India (FHRAI) – the country suffers from a shortage of personnel. The current ratio of supervisors to number of rooms is low, and with the increase in numbers of hotel rooms, this situation is expected to become worse. The Convention Industry is currently facing a dearth of trained manpower, and very few institutes train candidates for the specific requirements of this segment. Government as well as private institutions need to introduce vocational courses and specific training modules in the curriculum to cater to this industry. ICPB can further work with leading business schools in the country to train personnel in marketing and communication tools. Currently, none of the Hospitality management training institutes focus on Conventions Management as a speciality. Courses are offered by reputed universities in the US, UK, Canada as well as New Zealand. ICPB should work closely with educational institutions to develop modules on Conventions Management.

The Ministry of Tourism (MoT) has launched the Capability Building for Service Providers (CBSP) scheme to tourism service providers. Traditionally, the training facilities offered through institutions like Food Craft Institutes (FCI), Institutes of Hotel Management (IHM) and others have catered to the organised sector, and the unorganised sector, which contributes large number of jobs in the tourism sector, had been left out. Through this scheme, the MoT would arrange for a wide range of areas, e.g. awareness programmes, skill development, language training for guides, etc. These training would be imparted through India Tourism Offices, IHM, FCI, Indian Institute of Tourism & Travel Management, NCHMCT, of State / UT Tourism Departments, State Tourism Development Corporations, India Tourism Development Corporation (ITDC), State/Center Training/academic Institutions, etc.

▪ ATTRACTIVENESS MATRIX

As already depicted the conferences around the world are moving towards meetings that are small in size and hence the most attractive segments are below 500 delegates. Additionally the medical sector accounts for about 40% of both the worldwide and Indian convention market. Hence it the most attractive segment to begin the targeting exercises. India has earned a name for itself in the IT & ITES sectors and hence they provide a natural niche that the country can target to host conventions. Finally India has an extensive academic network amongst NRIs and within the country and it is a sector that has immense prospects for the transfer and accumulation of knowledge assets.

Table 19: Attractiveness Matrix for India

Industry	Medical	IT & ITES	Academics
Segment			
50-149	Attractive	Attractive	Attractive
150-249	Very Attractive	Very Attractive	Very Attractive
250-499	Very Attractive	Very Attractive	Very Attractive
500-999	Somewhat Attractive	Somewhat Attractive	Somewhat Attractive
1,000- 1,500	Somewhat Attractive	Somewhat Attractive	Somewhat Attractive

▪ BUILDING A GREEN IMAGE

One of the interesting trends in the recent years has been the move towards developing a “green” convention infrastructure. Climate change and global warming have been flagged as high priority areas in the MICE area and many destinations are positioning themselves as “green” destinations, offering environment friendly measures to reduce CO₂ emissions, and setting low energy requirements for such set ups. Since the available convention infrastructure is minimal, India can straightaway position itself as a “green” location by developing large number of “green” centres, since they are found to be more cost effective as well as creating a niche for itself with a headstart in this area. The recently developed BIEC is a “green” facility.

▪ PARTNERSHIPS

Some of the major convention destinations have entered into interesting partnerships, which allow them to position their destinations uniquely. Barcelona has partnered with the leading universities and business schools in the city and district to offer “Corporate and Outdoor Training” to incentive customers, where visitors can undergo managerial training in a natural and relaxed setting. India can also offer similar differentiated offerings, as most of its important destinations are also centres of higher education, which combine modern management techniques with traditional ethos and spirituality.

6.1.4 Recommendations

This section consolidates the suggestions made in the preceding sections. It summarises these recommendations in terms of roles that various stakeholders like Central and State Governments, and ICPB can play.

▪ ROLE OF ICPB

-  ICPB needs to take up a more proactive role for marketing India as a conventions destination. It can collect and collate information on upcoming events all over the world- and identify partners, who can host such conferences in the country. This would keep ICPB abreast of the latest trends in the world conventions market and enable it to position India better among the peers.
-  It needs to reorganise its structure, and focus on Geographical and sectoral specialisations by hiring professional managers.
-  The larger share of conventions business takes place in the two cities, New Delhi and Mumbai. There is a growing need to spread the business in other major centres. Therefore, the organisation needs to reach out to PCOs and other stakeholders around the country by setting up at least 4 regional centres.
-  In the short-term, the need is to utilise the available Convention Infrastructure efficiently. Careful planning and marketing is required to target specific conventions (please refer the Attractiveness Matrix) as well as manage off-peak demands well. Conferences with fewer delegates (<500 delegates) can be organised during the off-peak months of April-August, using existing inventory of convention facilities.
-  The sector suffers due to shortage of professionally qualified resources; ICPB should actively work with Government and Private institutions to develop curriculum for Conference and Conventions Management. In this regard, partnerships can be developed with leading domestic and international schools.

▪ ROLE OF STATE & CENTRAL GOVERNMENTS

-  ICPB would need to have access to greater funds for implementing its marketing plans and to develop its professional management team. The current funds are inadequate to run an effective marketing plan for the promoting the conventions business in this country. The Ministry of Tourism needs to supplement the funds made available to ICPB for implementing these changes. Leading conventions destinations, in Europe and North America, like Vienna, Warsaw, Prague, Toronto, charge a "Bed Tax" or a Tourism Tax in the order of \$1-\$2, which is used to supplement the membership fees that City Councils and Convention Bureaus generate. This tax is again ploughed back in the different promotional activities, showcasing the cities. Similarly, a slabbed cess/ tax can be collected by Hotels, Restaurants and Other recreational centres to create such a fund for ICPB.

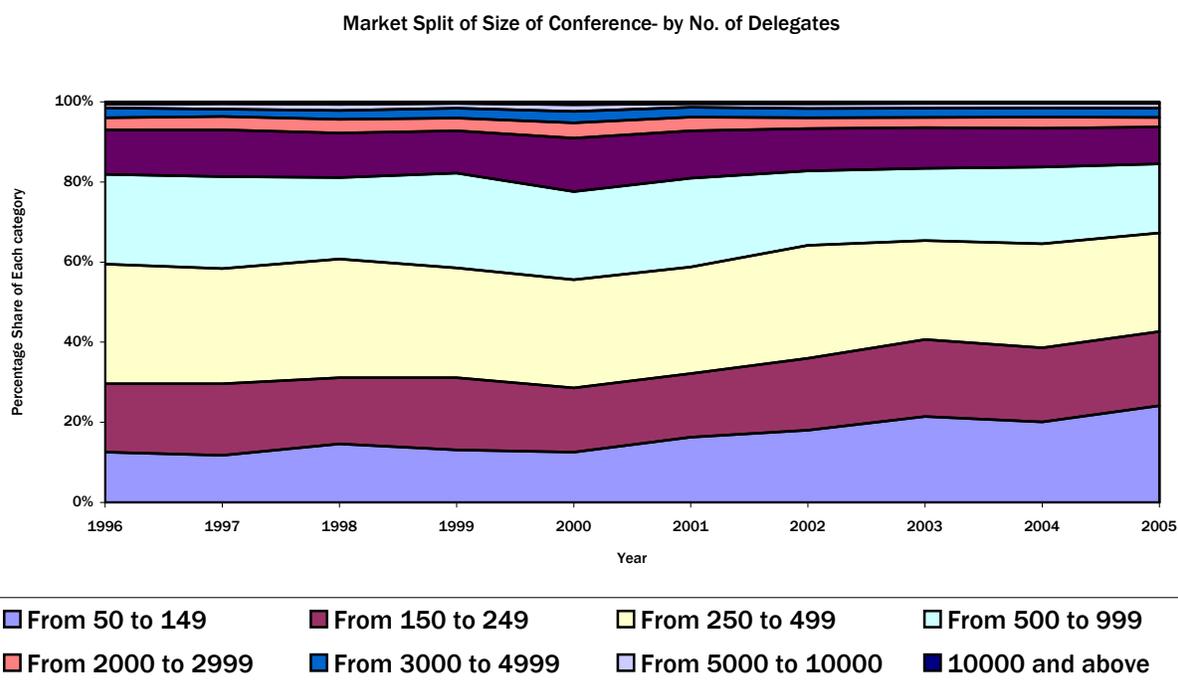
-
-  Support from various government departments and local bodies are required to successfully organise any convention. ICPB can play the role of a 'single window' agency to facilitate this process.
 -  The Ministry of External Affairs (MEA) and the Ministry of Home Affairs (MHA) can simplify the immigration for business and convention tourists. One of the areas of contention is the "conference visa", which entails a cumbersome process of application, which deters many visitors to India. Further, there have been concerns about the inordinate delays in issuance of visa- (ref. Appendix 7.1.7 for Visa schedules), which can be sped up to facilitate more conference participants to visit India.
 -  Studies have indicated that current levels as well as the multiplicity of taxes (Luxury Tax, Service Tax) make hotel prices prohibitively high - adding upto 27-31% on the charges as compared to 10-12% in destinations like Singapore and Thailand. The government should also review the existing taxes and levies affecting the convention industry directly or indirectly- and simplify the process of taxation for tourists, as it makes the industry less competitive vis-à-vis other destinations. (Please refer Appendix 7.1.6 for Luxury Tax rates in top ten destinations). State governments like Goa and Rajasthan have already reduced their off-season tax rates to promote tourism. Other state governments can be motivated to lower taxes during lean months to increase visitor traffic and events.

6.1.5 Conclusion

The study indicates that there is a huge potential in the country for conventions business to take off in the coming future. A booming economy and a resurgent tourism sector augur well for the future of convention tourism in this country. However, there are substantial challenges faced by the Ministries and various stakeholders in terms of infrastructure development and policy reforms. Recent initiatives from the Finance Ministry to propose the Viability Gap funding is an acknowledgement of the fact that investment is required in this sector and this has been lauded as a positive step, which can contribute to the growth of conventions in the country. It is heartening to see that similar measures are taken up by other key ministries Ministry of External Affairs to issue Multiple Entry Business Visas as well as the Ministry of Tourism proposing the setting up Bed & Breakfast (B & B) centres in the national capital. Such forward-looking initiatives, along with a proactive market focussed ICPB and effective Public Private Partnerships can work together to make India a global conventions destination.

7 Appendix

7.1.1 Average Conference Size (no of delegates)- market share of segments



7.1.2 List of Hong Kong Hotels- Conference Venues and Space availability

Table 20: List of Hong Kong Hotels and their Capacities

Venue	Total number of function rooms	Largest function space (sq. m.)	Total no. of guest rooms
Bishop Lei International House		40	219
City Garden Hotel		242	598
Conrad Hong Kong		767	513
Cosmopolitan Hotel	4	189	454
Cyberport Conference & Exhibition Centre		4000	
Empire Hotel Hong Kong, The			360

Venue	Total number of function rooms	Largest function space (sq. m.)	Total no. of guest rooms
Express by Holiday Inn Causeway Bay		43	269
Four Seasons Hotel Hong Kong		710	396
Grand Hyatt Hong Kong	26	680	549
Harbour Plaza North Point	3	140	940
Harbour View International House		88	320
Hong Kong Academy for Performing Arts, The		358	
Hong Kong Arts Centre		302	
Hong Kong City Hall		590	
Hong Kong Convention & Exhibition Centre		12636	
Hong Kong Exhibition Centre		2100	
Hong Kong Stadium			
Ibis North Point			275
Island Pacific Hotel	4	205	343
Island Shangri-La, Hong Kong		645	565
JW Marriott Hotel Hong Kong		736	602
L'hotel Causeway Bay Harbour View			275
Le Meridien Cyberport		370	173
Luk Kwok Hotel		145	196
Mandarin Oriental, Hong Kong		520	541
Metropark Hotel Causeway Bay (Formerly "Metropark Hotel")		42	266

Venue	Total number of function rooms	Largest function space (sq. m.)	Total no. of guest rooms
Metropark Hotel Wanchai (Formerly "Hotel New Harbour")			173
Newton Hotel Hong Kong		61	362
Novotel Century Harbourview		133	274
Novotel Century Hong Kong		335	511
Plaza Conference Centre		48	
Queen Elizabeth Stadium		590	
Ramada Hong Kong Hotel		70	307
Regal Hong Kong Hotel		240	422
Renaissance Harbour View Hotel Hong Kong	8	561	860
Rosedale on the Park		55	274
South China Hotel, The			202
South Pacific Hotel		148	272
The Charterhouse		105	277
The Emperor (Happy Valley)			150
The Excelsior Hong Kong		363	884
The Park Lane Hong Kong	16	381	803
The Ritz - Carlton, Hong Kong		330	216
The University of Hong Kong		429	
The Wesley			251
Wharney Guang Dong Hotel Hong Kong	2	205	358

Source: http://www.discoverhongkong.com/eng/meetings/venue/ceb_venue1.jsp

7.1.3 Case Study: Business Tourism in UK

BUSINESS TOURISM LEADS THE WAY

A HIGH VALUE SECTOR

Business tourism is worth over **£20 billion** in terms of its wider economic impact (through associated delegate expenditure on travel, entertainment, shopping, pre- and post-conference tours, etc.). These figures take no account of the value of business transacted at trade events, estimated to generate in excess of **£100 billion** a year.

Business tourism includes:

- **Conferences and meetings:** £11.7 billion a year*
- **Exhibitions and trade fairs:** £1.69 billion annually* (this figure only takes account of large exhibitions. If smaller events are added together with the costs that venues charge organisers for tenancies, this figure could rise to £10 billion)
- **Incentive travel:** £165 million plus*
- **Corporate events:** £1 billion per annum*
- **Outdoor events:** £1 billion a year*

* Latest available estimate

These individual segments are also referred to as '**discretionary business tourism**'.

- **Non-discretionary business tourism** (ie. individual business or corporate travel) is additional and is estimated to be worth well in excess of £7 billion per annum.

Over the past ten years, there has been a 53% growth in all business trips, exceeding the overall tourism growth rate. Over 7 million visits are made to the UK each year for business purposes, with international business visitors contributing a massive £3.5 billion to the British economy.

The sector generates 28% of all overseas visitors and 29% of inbound tourism earnings for the UK. Although business visitors have shorter visits than most other travellers, they spend more than twice as much per day, with conference delegates and visitors to trade shows and exhibitions spending even more.

Initial data on **investment in the sector**, captured by the British Association of Conference Destinations, reveals over £5 billion currently being spent on the infrastructure supporting business events by just 25 destinations.

7.1.4 Hotels and Convention Facilities (10 key destinations)

City	Hotel	Meeting Rooms	Capacity (Theatre Seating)		Meeting Rooms	Total Capacity	Total Rooms & Suites
			Convention Hall 1	Convention Hall 2			
New Delhi	Taj Palace Hotel	6	1100	800	400	2300	462
	The Taj Mahal Hotel	5	250		355	605	296
	Ashok Hotel	5	2000	300	400	2700	661
	Le Meridien	5	500		270	770	355
	Crowne Plaza Hotel	3	500		275	775	376
	Hyatt Regency	3	600		160	760	508
	InterContinental The Grand New Delhi	4	500		375	875	0
	ITC Hotel Maurya Sheraton & Towers		250			250	484
	WelcomHotel	1	300		70	370	220
	The Grand New Delhi	3	500		135	635	390
	The Oberoi	6	350		374	724	279
	The Park	2	250		100	350	220
	The Imperial	2	400		80	480	274
	The Leela Kempinski Gurgaon* (Upcoming)	1	800	450	180	1430	319
Mumbai	The Taj Mahal Palace & Tower	10	450	400	440	1290	567
	Taj Lands End	3	600		325	925	368
	Taj President	4	500		230	730	292

City	Hotel	Meeting	Capacity (Theatre		Total	Total	Total Rooms
		Rooms	Seating)				
	ITC Hotel Grand Central Sheraton & Towers	1	430		200	630	242
	ITC Hotel Grand Maratha Sheraton & Towers	4	650		46	696	386
	The Oberoi	2			80	80	333
	Ramada Hotel Palm Grove		225			225	114
	Holiday Inn		200			200	192
	Grand Hyatt Mumbai	7	1100		350	1450	547
	Le Meridien	2	225	200	50	475	171
	Renaissance Mumbai Hotel & Convention Centre	6	1750	300	195	2245	286
	JW Marriott Hotel	3	700		240	940	358
	The Leela Kempinski	5	850		82	932	423
	Hyatt Regency Mumbai	3	550		85	635	295
Agra	Taj View Hotel	1	130		50	180	100
	WelcomHotel Mughal Sheraton	2	750		245	995	285
	The Oberoi Amarvilas	2	150		40	190	63
	Jaypee Palace Hotel		1500			1500	350
	Holiday Inn	2	400		185	585	106
	Clarks Shiraz	1	500	250	100	850	237

City	Hotel	Meeting Rooms	Capacity (Theatre Seating)		Total Capacity	Total Rooms & Suites	
	Hotel Howard Park Plaza International		300		300	83	
	Atithi	1	200		40	240	44
Bangalore	The Taj West End	4	450		230	680	122
	Taj Residency	4	500		345	845	166
	Gateway Hotel	3	260		120	380	102
	ITC Hotel Windsor Sheraton & Towers	4	275		245	520	240
	The Oberoi	2	180		70	250	160
	Le Meridien	5	600		450	1050	195
	Leela Palace Kempinski	6	650	200	310	1160	256
Chennai	Taj Connemara	2	400	200	125	725	150
	Taj Coromandel	7	650		910	1560	205
	Chola Sheraton	1	225		60	285	92
	ITC Hotel Park Sheraton & Towers	6	200		320	520	283
	Le Royal Meridien	11	870		400	1270	240
Kochi	Taj Malabar		320			320	96
	Le Meridien Resort and Convention Centre	10	1600	600	1800	4000	223
Goa	Fort Aguada Beach Resort		225			225	130
	Taj Exotica	3	450		200	650	142
	Goa Marriott Resort	3	500		140	640	178
	The Leela Goa	2	400	200	48	648	152

City	Hotel	Meeting Rooms	Capacity (Theatre Seating)		Total Capacity	Total Rooms & Suites	
	Park Hyatt Goa Resort and Spa	2	370		80	450	251
Hyderabad	Taj Banjara	2	250		70	320	118
	Taj Krishna		800			800	260
	ITC Hotel Kakatiya Sheraton & Towers	2	500		30	530	188
	Hyderabad Marriott Hotel	3	1400	220	280	1900	297
Jaipur	Jai Mahal Palace	2	187		94	281	100
	Le Meridien Jaipur	2	500		120	620	0
	WelcomHotel Rajputana Palace Sheraton		500			500	216
Kolkata	Taj Bengal	3	450		135	585	229
	ITC Hotel Sonar Bangla Sheraton & Towers	4	450		139	589	238
	The Oberoi Grand	2	800		140	940	122
	The Park	5	250		400	650	166
	Hyatt Regency Kolkata	2	600		100	700	235

7.1.5 Questionnaires Used During the Study

-  Questionnaire for Consumer Survey
-  Questionnaire for Customer/ Operator Survey
-  Survey among Convention Bureaus around the world
-  Survey among ICPB Members
-  Questionnaire for Case Studies

Questionnaire for Consumer Survey

Dear Respondent, this survey is conducted by the Indian Institute of Management Bangalore as a part of a research project to understand the needs of the International Conventions / Conferences Traveller, in order to develop services and amenities as well as look at Regulatory and Infrastructural aspects, which would adequately address these needs in the near future.

We would like to know you a little better, so please share a few details with us (all details provided here will be used only for the current research and your identity as well as details will NOT be disclosed to anyone, or used for any commercial purposes).

Name: _____ **Nationality:** _____ **Age:** _____ years
Arriving from (City): _____ **Onward Travel to (City):** _____
Profession: Academic / Corporate / Independent Consultant / Other (pls. Specify) _____
Role at Current Convention/ Seminar: Delegate / Speaker / Organiser / Sponsor / Other _____
Current Event Venue: _____ **Location:** _____
Reason for Travel: Academic/ Business/ Networking / Tourism / Others _____
How often do you travel for Conferences/ Conventions in a year? 1-2 / 3-5 / more than 5

Q.1 In this section, we wish to understand your expectations regarding the convention venue, as far as amenities/ facilities it should have:

Kindly Rank the following facilities according to their importance (High, Medium or Low)

Facility	Importance
Registration for Conference- Single Window facilitation:	↓ High ↓ Medium ↓ Low
Accommodation- Tie Up with Hotels (Range of Budgets)	↓ High ↓ Medium ↓ Low
Transportation (conference related)	↓ High ↓ Medium ↓ Low
Immigration Facilitation (VISA and other regulatory issues)	↓ High ↓ Medium ↓ Low
Access to Public Transport	↓ High ↓ Medium ↓ Low
Multimedia/ Equipment Support at Venue	↓ High ↓ Medium ↓ Low
Restaurant/ Catering Options	↓ High ↓ Medium ↓ Low
Travel Desk for Onward Travel	↓ High ↓ Medium ↓ Low
Recreational and hospitality Centres	↓ High ↓ Medium ↓ Low
Conference/ Convention Venue aspects: Aesthetics, Infrastructure, Ambience, Hygiene, Air Conditioning, etc.	↓ High ↓ Medium ↓ Low
Any other: Please specify _____ _____	↓ High ↓ Medium ↓ Low

Q.2. Have you ever travelled to India earlier as a part of any delegation for a Conference/ Convention?

YES

NO

Q.3 Who was the organiser for the previous conference that you last attended (Other than India)?

Organiser: _____ . Location: _____

Q. 4 How would you rate INDIA as a conference destination on the following aspects as compared to your experience(s) abroad?

<input type="checkbox"/> Registration Facilitation:	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
<input type="checkbox"/> Quality Accommodation- Range:	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
<input type="checkbox"/> Conference Related Transportation:	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
<input type="checkbox"/> Immigration Facilitation:	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
<input type="checkbox"/> Access to other Public Transport:	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
<input type="checkbox"/> Multimedia/ Equipment Support at the venue:	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
<input type="checkbox"/> Restaurant/ Catering Options	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
<input type="checkbox"/> Travel Desk for Onward Travel	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
<input type="checkbox"/> Recreational and hospitality Centres	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
<input type="checkbox"/> Venue- Aesthetics, Ambience, Facilities, Hygiene, etc.	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
<input type="checkbox"/> Any other: Please specify _____	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent

Continued on the next page....

Q. 5. How many days do you plan to stay in India? No of Days _____

Q. 6. Out of these days how many do you plan to spend on the following activities?

- Conference/ Convention: _____ Days
- Other Official Engagements: _____ Days
- Social Visits (Friends/ Relatives) _____ Days
- Tourism: _____ Days
- Any other: _____ Days

Q. 7 What was your primary reason for considering INDIA for this visit? (Please tick as applicable)

- Conference/ Convention was important: (____)
- Other Official Engagements along with Conference: (____)
 - Can you please specify the nature of engagement? _____
- Visit to some place of particular interest: (____)
 - (Please mention name of place) _____
- Any other- Please specify: _____ (____)

Q. 7 Please tell us in brief; how you would usually divide/ split your expenditures at one of those Conferences/ Conventions **ABROAD** (Other than INDIA) as **compared to in INDIA**?

Expense Head/ Description	Conference Abroad as Percentage or \$, £, € Amt	Conference in INDIA as Percentage or \$, £, € Amt
Conference Fee (NIL If Sponsored Delegate)		
Air Travel to and Fro		
Food & Beverage (other than Conference Venue)		
Accommodation (Hotel during Conference)		
Tourism & Recreational Activities		
Local Transportation (AIR/ TRAIN/ ROAD)		
Gifts/ Souvenir		
Any other (please Specify): _____		
Any other (please Specify): _____		

Continued on the next page....

Q. 8 What according to YOU should be the PRIORITY areas of improvement for INDIA, to emerge as a strong international Conventions/ Conference destination? (Please TICK/ Rank the items according to your perceived priority)

Facility/ Aspect	Priority (High- Medium- Low)
Infrastructure at Conference/ Convention Centres	↓ High ↓ Medium ↓ Low
Public transport facilities	↓ High ↓ Medium ↓ Low
Pre-Event Conference Management	↓ High ↓ Medium ↓ Low
Quality of Accommodation around Conference Venue	↓ High ↓ Medium ↓ Low
Recreational/ Tourism Facilities	↓ High ↓ Medium ↓ Low
Food-court Quality/ Ambience, Catering at Conference venue	↓ High ↓ Medium ↓ Low
Additional Services: Ticketing, FOREX, City Tours, etc	↓ High ↓ Medium ↓ Low
VISA/ Immigration formalities	↓ High ↓ Medium ↓ Low
Any Other:	↓ High ↓ Medium ↓ Low
Any Other:	↓ High ↓ Medium ↓ Low

Thank you very much for your time, wish you a very pleasant stay and onward journey!

Questionnaire for Customer / Operator Survey

Dear Respondent, this survey is conducted by the Indian Institute of Management Bangalore as a part of a research project to understand the needs of the International Conventions / Conferences Traveller, in order to develop services and amenities as well as look at Regulatory and Infrastructural aspects, which would adequately address these needs in the near future.

We would like to know you a little better, so please share a few details with us (all details provided here will be used only for the current research and your identity as well as details will NOT be disclosed to anyone, or used for any commercial purposes).

Name: _____ **Designation:** _____
Organisation Name: _____ **Headquartered at:** _____
No. of years of Operation in Tourism/ Convention or Conference Organisation: _____
No of Events Organised each Year (Average): _____ **Revenue (Approx in \$ Mn):** _____
Most Recent Convention / Conference / Seminar Organised: _____
Client: _____ **Location:** _____

Q. 1. What are the most important factors that you consider, when you organise an International Conference / Convention (please indicate the level of importance- High – Medium – Low)

Factor(s) for Consideration	Level of Importance
Availability of Infrastructure for Convention/ Conference	↓ High ↓ Medium ↓ Low
Political Stability	↓ High ↓ Medium ↓ Low
Relatively easy Connectivity by AIR	↓ High ↓ Medium ↓ Low
Availability of Qualified Manpower to handle event	↓ High ↓ Medium ↓ Low
Ease of Immigration Process	↓ High ↓ Medium ↓ Low
Availability of transport infrastructure in and around the venue	↓ High ↓ Medium ↓ Low
Tourism and Recreational Centres	↓ High ↓ Medium ↓ Low
Regulatory issues pertaining to hosting the Event	↓ High ↓ Medium ↓ Low
Quality of the Venue- infrastructure, reputation, ambience, etc.	↓ High ↓ Medium ↓ Low
Any other: _____	↓ High ↓ Medium ↓ Low
Any other: _____	↓ High ↓ Medium ↓ Low

Q. 2. Have you ever organised an event in INDIA?

YES

NO

Q. 2 (a) If **YES**, then when? Date: _____

Venue/ Location in India: _____ Client: _____

Q. 2 (b). If **NO**, then can you please tell us why? (Please mark on the options as applicable)

Reason(s) for <u>NOT ORGANISING</u> event in INDIA	Please mark as applicable
Lack of Availability of Convention/ Conference Infrastructure	
Political/ Economic Instability	
Infrequent/ Cumbersome Connectivity	
Availability of Qualified Manpower to handle event	
Immigration Process is too complicated	
Lack of adequate public transport around venue	
No Tourism and Recreational Centres	
Government Regulations	
Low Quality of the Venue- infrastructure, reputation, ambience, etc.	
Any other: _____	
Any other: _____	

Q.3. IN CASE YOU HAVE ORGANISED AN EVENT IN INDIA, how would you **rate INDIA as a conference destination** on the following aspects as **compared to your experience(s) at other locations?**

Factor(s) for Consideration	INDIA as a destination
Availability of Infrastructure for Convention/ Conference	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
Political Stability	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
Relatively easy Connectivity by AIR	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
Availability of Qualified Manpower to handle event	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
Ease of Immigration Process	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
Availability of transport infrastructure in and around the venue	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
Tourism and Recreational Centres	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
Regulatory issues pertaining to hosting the Event	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
Quality of the Venue- infrastructure, reputation, ambience, etc.	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
Any other: _____	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent
Any other: _____	↓ Poor ↓ Need to Improve ↓ Satisfactory ↓ Excellent

Continued on the next page....

Thank you very much for your time, wish you a very pleasant stay and onward journey!

 Survey among Convention Bureaus around the World.

Questions asked were:

1. What are the most important attributes about your city/ country, which makes it an important destination for conventions/ conferences?
2. What kind of assistance do you receive from the local (city, regional) government as well as the central government for promoting your city/ country?
3. What is the source of funds for running the bureau/ agency? Do you receive government funds or do you generate funds through other revenue sources, if so, kindly mention them. (Please note: All results will be kept confidential if you so desire, and no mention of specific cities will be made)
4. What are the different promotion tools you use to promote your city/ country? (Advertising/ Media coverage/ Liaison with other agencies / Hotels / Tie-up with Associations / etc.)

 Survey among India Convention Promotion Bureau (ICPB) Members.

Questions asked were:

1. What, in your opinion, will make INDIA a key international convention destination?
2. What kind of problems do you anticipate in promoting INDIA as an International Convention/ Conference destination?
3. What should be the role of India Convention Promotion Bureau (ICPB) in promoting Conventions/ Conferences in INDIA?
4. What should be the role of the Ministry of Tourism and that of the Central Government to promote INDIA as a convention / conference destination?
5. According to you, to what extent has ICPB been successful in promoting conventions in INDIA? What are your chief concerns?
6. Do you suggest any changes in the current mode of operation of ICPB as a facilitator?
7. What is YOUR vision for India Convention Promotion Bureau (ICPB) and its role in promoting INDIA?



Questionnaire for Case Studies (Administered to Conference Organisers)

1. What are the main benefits of holding {this conference} in India?
2. What was the procedure followed in bidding for this particular convention and what is generally the procedure adopted by associations in India when bidding for conventions. How does this compare with procedures followed by competing bidders?
3. What do you look for when selecting a country for the convention? In terms of infrastructure facilities (convention halls, hotels, transport, etc), regulatory issues (visas, taxes, etc), connectivity, prices, etc?
4. On which aspects India is competitive and where are we short of competitors?
5. The Ministry of Tourism had set up the India Convention Promotion Bureau (ICPB) to promote India as a favoured destination for conventions. Did you seek ICPB's support for the bid? Do you think ICPB can play any role in your future bids? If yes, please specify.
6. Will you be able to specify the impact of holding a convention like {this convention} in India? If possible, specify some details on various aspects like boost in tourist arrivals, business opportunities through networking, technology transfer, boosting the image of the organising association, members and country, etc.
7. Is it possible to specify the impact of participating in these events in promoting {related business}? Qualitative as well as quantitative aspects?
8. What role can industry associations like {your organisation} play in India to promote conventions in India? How do similar associations promote their countries for attracting conventions?
9. What support do they look for from the govt. (Ministry of Tourism)?
10. What factors give India an advantage while seeking to host conventions?
11. What are the constraints / inhibitors which prevent many conventions from being hosted in India?

12. Based on your experience, what role can the govt. and ICPB play in boosting India's capabilities for hosting conventions (Infrastructural, institutional, human resource, any others)?

13. Are there any other cases that we could follow up for success or failure?

7.1.6 Calculation of Domestic Market Size

Estimating Market Size for Business Events

TOTAL NUMBER OF Events IN INDIA

Category	Optimistic	Normal	Pessimistic
NUMBERS	4500	4000	3000
	4500	4000	3000
	4500	4000	3000

Average Duration of Event

Category	Optimistic	Normal	Pessimistic
High End	2.5	2.5	2
Mid End	2	2.5	2
Low End	2	2.5	2

Percentage of Events

Category	Optimistic	Normal	Pessimistic
High End	0.30	0.40	0.30
Mid End	0.40	0.35	0.25
Low End	0.30	0.25	0.45

No of Delegates

Category	Optimistic	Normal	Pessimistic
High End	500	450	400
Mid End	600	500	400
Low End	500	350	300

Delegate Fees

Category	Optimistic	Normal	Pessimistic
High End	6000	4500	4000
Mid End	3500	3000	2500
Low End	2500	1500	1000

Total Market Size (Billions of INR)

Category	Optimistic	Normal	Pessimistic
High End	22.61	20.34	7.56
Mid End	23.22	15.23	4.35
Low End	9.79	4.90	4.05
Total	55.62	40.47	15.96

Accommodation + Banquet Expenses

Category	Optimistic	Normal	Pessimistic
High End	11,000.00	9,500.00	8,500.00
Mid End	9,000.00	7,500.00	6,000.00
Low End	6,000.00	5,000.00	4,500.00

7.1.7 Schedule of Luxury Taxes in the leading Destinations

Table 21: Luxury Tax at top 10 Destinations.

Sl no	States/ Cities with Slabs)	Luxury Tax		
		Slab 1	Slab 2	Slab 3
1	New Delhi (> Rs. 500)			12.50%
2	Mumbai (Rs.200-1200, > Rs. 1200)	4.00%	10.00%	
3	Kolkata	10.00%		

Sl no	States/ Cities with Slabs)	Luxury Tax		
4	Chennai* (Rs.200-500, 500-1000, >Rs.1000)	5.00%	10.00%	12.50%
5	Bangalore	4.00%	8.00%	12.00%
6	Hyderabad (Rs. >300)	10.00%		
7	Jaipur (> Rs1000)	8.00%		
8	Agra (>Rs.1000)	10.00%		
9	Goa (Rs 200-1500, 1500-3000,>3000)	5.00%	8.00%	10.00%
10	Kochi (<Rs500, >Rs 500)	10.00%	15.00%	15.00%
	* Chennai has 12.5% tax on Published tariff, instead of Actual Tariff; therefore it can go upto 25-30% of Actual Room Tariff.			

7.1.8 Visa Fees and schedules

Table 22: Visa Fees and time required at various locations

Country	Business	Tourism	Rupees	Business Visa time (Days)	Tourist Visa time (Days)
United States of America	\$150.00	\$150.00	6,900.00	5	5
United Kingdom	£30.00	£30.00	2,550.00	5	5
EU Region	€ 50.00	€ 50.00	3,000.00	5	5
Denmark	DKK 350.00	DKK 350.00	3,010.00	5	5
Argentina	ARS 138.00	ARS 138.00	2,000.00	5	5
Egypt	EGP 240.00	EGP 240.00	1,900.00	5	5
Singapore	SGD 260.00	SGD 260.00	7,280.00	5	5
Thailand	\$ 65.00	\$ 60.00	2,700.00	5	5
Sri Lanka	LKR 310.00	LKR 310.00	140.00	5	5
Australia	AUD 75.00	AUD 75.00	2,625.00	5	5
Canada	CAD 62.00	CAD 62.00	2,400.00	5	5

** Conference Visa has similar fee structures, however, the documentation required is more extensive in most cases. In case of some countries, like Australia and Canada, the process can be expedited to 3 days.

7.1.9 Air traffic across Indian Cities (top 10 Convention destinations)

Table 23: Details of Air Traffic across Indian Cities in March 2006

Summary of Airport Statistics during March 2006								
Airport	No. of Destinations Served		Number of Air Carriers		Traffic (Aircraft)		Traffic (Passenger)	
	Domestic	International	Domestic	International	Domestic	International	Domestic	International
Mumbai	46	55		40	12,019	4,270	1,115,767	562,161
New Delhi	40	68	12	42	10,132	4,364	1,065,542	567,983
Chennai	25	20	10	19	5,028	1,951	451,557	216,376
Bangalore	27	12	10	11	6,184	852	458,541	84,374
Kolkata	27	12	7	14	4,538	771	384,697	62,359
Hyderabad	24	20	11	9	4,162	878	321,946	81,599
Goa			7	5	1,350	350	134,956	65,848
Jaipur			3	7	652	118	41,249	3,868
Cochin			9	12	966	1,004	68,741	98,124
Agra			2	0				

Source: Airport Authority of India (AAI), www.airportsindia.org.in

7.1.10 Convention Facilities in Prominent World Destinations

Table 24: Some prominent convention destinations and available facilities

City/ Convention Centre	Capacity (Theatre) of largest Hall	Meeting Rooms	Total capacity (theatre)	Hotel Rooms
Singapore				
Suntec Singapore International Convention & Exhibition Centre	12000	31	17424	5200
Conrad Centennial Singapore	500	4	1708	
Marina Mandarin Singapore	700	8	1690	
Swissotel The Stanford Singapore	3200	12	5540	
The Oriental Singapore	700		1210	
The Pan Pacific Singapore	800	10	1656	
Shanghai				
Shanghai International Convention Center/ Oriental Riverside	3000	25	5000	260
International Conference and Exhibition City	3000	24	4200	
Kuala Lumpur				
Kuala Lumpur International Convention Center	3000	20	15700	5100
Malaysia International Exhibition and Convention Center	1000		10000	

City/ Convention Centre	Capacity (Theatre) of largest Hall	Meeting Rooms	Total capacity (theatre)	Hotel Rooms
Putra World Trade Center	10000	17	13500	
Bangkok				
IMPACT Exhibition & Convention Center	2000	12	6020	
Bangkok Convention Centre	8500	8	16910	
Queen Sirikit National Convention Center	5500	4	7505	
Bangkok International Trade and Exhibition Center	20000	18	31480	
Hong Kong				
Hong Kong Convention & Exhibition Center	6100	52	7100	
Seoul				
Convention and Exhibition Center (COEX)	1800	16	5120	10000+
Jakarta				
Balai Sidang Jakarta Convention Center	5000	13	8500	
Vienna				
Reed Exhibitions Messe Wien Congress Centre	4000	19	8766	300+
Frankfurt				
Congress Center Messe Frankfurt GmbH	2207	3	5120	100
Paris				
Palais des Congrès de Versailles	1390		2680	10000
Barcelona				
Barcelona International Convention Center	3200	45	23921	7000
Geneva				
IATA Geneva Conference Center		15	400	
Geneva Palexpo	15000		25000	1500
Stockholm				
City Conference Centre		50	1400	181
Birmingham				
ICC	3000	10	9279	

City/ Convention Centre	Capacity (Theatre) of largest Hall	Meeting Rooms	Total capacity (theatre)	Hotel Rooms
New York				
Jacob Javits Convention Center	14702	40	31042	
San Francisco				
San Jose Conventional and Cultural Facilities	3060	30	8448	
Moscone Center	12150	48	27465	
Vancouver				
Vancouver Convention and Exhibition Center	3500	20	10740	
Toronto				
Metro Toronto Convention Center	2600	64	3930	10000
Sydney				
Sydney Convention and Exhibition Centre	3500	20	9345	
Melbourne				
Melbourne Exhibition and Convention Centre	2130	50	6892	
Dubai				
Dubai International Convention Centre	6000		11924	
Johannesburg				
Sandton Convention Centre	4100	13	15339	4300
Durban				
International Convention Centre	2600	23	8650	

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