

Are DMOs the Key to Developing Business Tourism in South Africa and Africa?



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Abstract Business tourism is a lucrative, fast-growing segment in tourism, known as the world's largest industry sector. Countries rely heavily on investment in infrastructure to support the development of the business tourism sector and to ensure sustained growth, and many destinations use Destination Management Organisations (DMOs) and Convention Bureaus (CBs) to provide leadership. These organisations are also tasked to actively promote the destination for leisure travel such as cultural tourism, ecotourism, and activities, and it's necessary to understand the distinct requirements that set business tourism development and promotion apart from leisure tourism. South Africa has tremendous opportunity, with both urban and off-the-beaten-track attractions to attract meeting and convention traffic to the continent, but what is hindering us, and is there a simple solution to this problem? Multi-method qualitative research was employed to investigate the roles and functions that DMOs perform to develop business tourism at four major conference centres across destinations in South Africa. This included understanding the challenges faced within the varied destinations. Data was collected through interviews with a sample of nine major DMOs at various levels in the country. Strategic documents and website content were also analysed as a supplement to the primary data. Results revealed the importance of especially DMO stakeholder engagement, marketing, identification of opportunities to host business tourism events within the destination, and bidding support as the main roles and functions that need to be performed to ensure sustained growth of business tourism in South Africa. Recommendations are made in the form of an innovative business tourism framework depicting the interaction between DMOs at the national, regional, and local levels, and with the various industry stakeholders for cities conference centres/off-the-beaten-track locations to be used in the future.

Keywords Destination management organisations · Business tourism · Convention bureaus · South Africa · Urban and rural business tourism · Business tourism model

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1 Introduction

Over the past fifty years, tourism has grown to become one of the major industries in the world playing an important role in the economies of many countries, particularly in developing countries (Balli et al., 2015; Jesus, 2013; Samimi et al., 2013; Tugcu, 2014). It has become the world's fourth-largest export industry after food, fuels, and chemicals (Ramphul, 2017) and has emerged as a vital sector in the process of economic development (Banu, 2016). Tourism is a sector that supports policymakers in overcoming problems such as unemployment and fiscal and monetary instabilities through the supply of foreign exchange which can be used for financing of domestic/foreign debts, creating regional employment opportunities that are crucial in coping with unemployment, and promoting transportation, construction, accommodation, and the food/beverage sectors which in turn foster economic growth by providing added value (Tugcu, 2014). It is one of the key drivers of economic expansion and employment creation in South and Southern Africa (Kirsten & Rogerson, 2002; Rogerson, 2014).

One of the sectors within the tourism industry which is considered to be large and continuously expanding is the meetings, incentive, conference, and exhibition (MICE) industry, which has become integral to the travel and tourism industry (Banu, 2016; Para & Kachniewska, 2014; Schroeder et al., 2014; Sumithra & Mishra, 2016). The growth of the industry can be attributed to various factors including globalisation and growth of technological and business advancements (Para & Kachniewska, 2014). It presents efficient utilisation of human resources, technological know-how, and assets; decreases seasonality; and increases brand awareness, while also adding to the development of a knowledge-economy (Para & Kachniewska, 2014; Schroeder et al., 2014; World Tourism Organisation, 2014) as well as stimulate the use of natural and cultural recreational resources, which enables the growth of the tourism sector as a whole (Aburumman, 2020). This has resulted in one of the main directions of modernisation and an increase in competitiveness of any country's tourism in the diversification of additional services which results in the encouragement of business tourism (Nicula & Elena, 2014). Business tourism plays an important role when contributing to a destination's tourism economy, and with business tourism on the rise, there is continued room for growth, and the key to stimulating national economic growth (Aburumman, 2020; Banu, 2016; Donaldson, 2013; Para & Kachniewska, 2014; Schroeder et al., 2014).

The South African Government has realised the potential of business tourism and established a South African National Convention Bureau in 2012 to attract business tourism events to the country and continent. This study seeks to determine has the establishment of this Convention Bureau within South Africa Destination

Management Organisation (DMOs) the key to developing business tourism in the destination, how does the DMOs function, and can this model be applied to the rest of the continent?

2 Literature Review

Business tourism, also known as MICE tourism, is a relatively new segment that arose from the increase in the number of conferences and exhibition enterprises (Chiu & Ananzeh, 2012). It's a large and fast-growing segment (Chiu & Ananzeh, 2012; Pearlman & Mollere, 2009) that has become important to the economic sector of many parts of the world and in the modern global market (Kumar et al., 2014). Some analysts argue to situate business tourism as a complex phenomenon that sits at the heart of the global economy (Rogerson, 2015). It constitutes an essential component of the contemporary international tourism economy, accounting for one-quarter of all tourism in some destinations (Rogerson, 2015). Business tourism is considered as one of the most desirable forms of tourism development at destinations worldwide (Dragičević et al., 2012). It is regarded as a high-quality and high-yield sector; it can be positioned as a key part of an economic development strategy and is much more resilient to the type of events and economic downturns that affect leisure tourism (Rogerson, 2019). Therefore, the number of destinations that realise the benefits of business tourism development is continuously increasing, thereby also increasing competition (Dragičević et al., 2012).

Business tourism has been defined as a trip which is undertaken with the purpose of attending a meeting, as part of an incentive, conference, and/or exhibition (MICE). It can be said that mankind has been gathering to confer since the beginning of civilisation. Lawson cited in suggests that there are several factors that facilitated the rapid growth of the MICE industry in the second half of the twentieth century:

- Expansion of the government and quasi-government organisations, together with an increasing need for meetings between private and public sectors.
- Growth of multi-national corporations and pan-national agencies, necessitating more inter-regional and interdepartmental meetings.
- Changes in the use of product launches, sales techniques, and sales promotion meetings.
- Developments in association interests, cooperatives, pressure groups, and professional groups.
- The need to update methods and information through in-company management training, continuing professional development, and attendance at scheduled or ad-hoc meetings.
- Development of subject specialisation (conferences create a platform that enables experts to pass on information).

The surge of demand for conferencing and business events resulted in many cities throughout the industrialised world and later the developing world to recognise the

potential economic benefit of hosting the conference, equipping themselves with purpose-built conference centres often capable of hosting different types of national and international events and in which several thousand of delegates can attend. The growing international significance of business tourism is a direct consequence of new organisation structures of production and processes of globalisation (Rogerson, 2015).

Benefits and Challenges of Business Tourism

Business tourism is one of the most significant modern means to bring economic and social development at not only a micro level but also at a macro level (Seymour, 2016). According to Rogerson (2015), activities of business tourism are considered as a fundamental construction of “the network society” as well as the knowledge-economy. It leads to an increased need for updates and knowledge transfers. On a micro level, business events firstly contribute to tourism spend in a destination (Seymour, 2016). The MICE industry has a positive reflection on the economy especially in the off-peak seasons. Besides the economic benefits, there are numerous related social and cultural benefits for the hosting destination including augmentation of exchange commutation of ideas and information; forums for continuing education and training; and adoptive business connections and technology adoption.

As one of the primary motivations for a community to develop any industry is the economic benefits (Roger & Davidson, 2016b), a large number of large-scale infrastructure projects relevant to business tourism have been undertaken throughout much of the Pacific rim and Asia, in the former East European countries, in the Middle East, and in a number of African countries (particularly South Africa), as well as in South America. Numerous reasons exist for such investments that are mostly being funded by the government and other public sector funds (Roger & Davidson, 2016b). This includes countries and destinations having an active leisure tourism sector and developing much of the infrastructure for this sector which is the same such as airports, communication facilities, 3–5-star hotels, attractions, and trained staff, which is a requirement to attract international conference business. Destinations see business tourism as a complement to the leisure tourism business in the same way that developed destinations do. Conference and business tourism are of high-quality, high-yield end of the tourism spectrum, which brings large economic benefits for developed and developing countries. The benefits include foreign exchange earnings and year-round jobs. There is also a potential for future inward investment from conference delegates who liked and were impressed by what they have seen in the country, while attending a conference, meeting, or event and return to set up a business operation or persuade their own employers to do so. There is also a prestige associated with being selected to host a major international conference or event, and some less developed countries may see this as a way to gain credibility and acceptance on the international political stage.

Roger and Davidson (2016b) explain that the foreign currency which is injected into the destination is money that is spent by visitors to the city; this means that it is “new” spending that is coming into local businesses. For nations that are greatly dependent on foreign earnings, a single international conference can make a

substantial impact on the national economy (Roger & Davidson, 2016b). Business tourism delegates also arguably spend more than other tourists on a per-capita basis (Morrison, 2013). Stimulation of investment is also another economic benefit; the stimulation of investment by stating that the development of the business tourism industry can be induced by the local and national governments to make infrastructure improvements such as better roads, water and sewage systems, public transport and telephone networks, and electricity supply, all of which can improve the quality of life for the residents as well as facilitate a further expansion of the MICE industry at the destination (Roger & Davidson, 2016b).

There are also other benefits to the destination besides economic benefits. Hosting destinations and conference venues also have a chance to showcase their skills and capabilities to attract future mega events to the destination and to build up a good sense of excitement, community, coherence, and pride (Kumar et al., 2014). MICE events are considered to be able to be an image-enhancement tool or as the image-makers of modern tourism, and hence, this is why countries compete to host these events (Chiu & Ananzeh, 2012; Seymour, 2016). The value of business events goes way beyond tourism. Events are one of the most important forms of training and post-tertiary education. Furthermore, they encourage networking in a particular field and increase the level of knowledge of a particular discipline. They can develop and establish particular industries (Seymour, 2016). Business events can also be used as a powerful means of microeconomic development or social responsibility, where business event organisers can be coaxed into making use of emerging service providers, mentor the youth, and encourage them to enter the industry, and using congresses as a platform for tours to exciting experiences on the outskirts of a destination and as a key selling point for local art and crafts (Seymour, 2016).

Importantly, the MICE industry can also have negative impacts on and present challenges to a destination. The public funds needed to subsidise the development and facilitate the development of infrastructure necessary for the operation of a significant MICE industry can cost national and local governments a great amount of money and can require a substantial outlay of funds long before the first business event arrives in the destination. In order for a destination to be able to equip itself to receive a large number of delegates, the government may need to improve airports, roads, and other elements of infrastructure. The government might also be required to provide investment incentives, tax breaks, and other financial advantages to conference centres and hotel developers as an example (Roger & Davidson, 2016b).

Use of Destination Management Organisations to develop Business Tourism

Business tourism does not develop organically at a destination but rather requires coordination and integration of different suppliers. This is done mostly through the use of Destination Management Organisations (DMOs). DMOs are teams of tourism professionals that coordinate and lead tourism stakeholders. Effective destination management involves long-term tourism planning and continual monitoring and evaluation of the outcome from tourism efforts (Morrison, 2013); they manage a destination by coordination and integrated management of the destination mix (attractions and events, facilities, transportation, infrastructure, and hospitality resources), all

towards a common goal (Papadopoulou, 2016). DMOs need to incorporate the use of social media network sites and rely greatly on other organisations and facilities to execute the business tourism event in a satisfactory way to the client and delegate, in order to fulfil their roles while, competing with technology, as it is being used as a substitution for travel, with organisation opting to use video conferencing and teleconferencing as a convenient alternative to traditional business events (Morrison, 2013).

The DMO needs to work with numerous stakeholders from both the demand and supply sides in order to ensure that a destination can host a MICE event. The demand-side is represented by the consumer-travellers, who seek for travel service and products to satisfy certain needs. The supply-side is the travel and tourism industry, which seeks to stimulate demand for services and products (Pike, 2012) and also seeks to fulfil the tourists' needs. This required industry cooperation is an essential part of the industry, but perhaps is also the greatest challenge for MICE tourism. It is vital for the success of MICE that stakeholders coordinate in the delivery of their product (Mistilis & Dwyer, 1999). The coordination of production, supervision of local managers, meeting with consultants, purchasing of supplies, product serving, and marketing all require visits from company officials, technicians, or sales personnel (Rogerson, 2015).

A DMO while completing their roles should be able to improve the profitability of the business sector, which is the lifeblood of any destination's tourism industry, and should ensure that there is a responsible and sustainable balance between socio-cultural, economic, and environmental impacts of tourism (Carter & Fabricius, 2007).

DMOs perform the upper-level process of coordinating and integrating the management of demand and supply, resources, and function (Pearce, 2015). Morrison (2013: 7) defines destination management as "a professional approach to guiding all of the efforts in a place that has decided to pursue tourism as an economic activity".

Morrison (2013) expresses that DMOs are scattered throughout the world and span over many different organisational types and sizes. These are several types of DMOs, and they are categorised depending on their geographic region (UNWTO, 2007):

- National Tourism Organisation (NTOs) or Authorities (NTAs): They are responsible for the management and marketing of tourism at a national level.
- Regional, provincial, or state DMOs (RTOs): They are responsible for the management and marketing of tourism in a geographical region defined for that purpose (e.g. province, state, or country.)
- Local DMOs (LTOs): Responsible for a smaller geographic area or town/city. This form of local level DMOs usually operates tourism information office frequently with a retail shop.

The types of DMOs include the entities at four geographic levels namely country; state, province, and territory; region; and county/city (Morrison, 2013). However, Kozak and Baloglu (2011) argue that a DMO is known by a variety of names such as convention and visitor bureaus (CVBs) or authorities, tourist organisation, tourist

bureaus, councils, tourist offices, and so forth. DMOs are normally funded by the government or tax money (Kozak & Baloglu, 2011).

The structure the DMO takes will be dependent on the governmental administrative structure. There are both strengths and weaknesses in whether a DMO should be either a public or private controlled organisation.

A DMO seeks to coordinate decision-making on management, design, and organisation of relationships in the network, on which the economic performance of the DMO and its stakeholders depends. Bregoll (2012) stresses that the difficulties of coordination and control have the potential to undermine a strategic approach.

It should be noted that tourism businesses will cooperate, as well as compete simultaneously with other companies and build a complex and dense system of inter-organisational relationships (Wang, 2008). In a hyper-competitive tourism sector, pure competition at a destination level is not the only way to achieve a sustainable competitive advantage; on the other hand, in many cases, collaborative and cooperative logics should be undertaken by decision-makers both within destinations (i.e. between private and public stakeholders) and among destinations (e.g. between NTOs and relevant DMOs).

Strategy formulation of DMOs is influenced by government policy. The tourism public policy can help the cause and consequences of the policy decision-making process. Tourism policy-making is inherently a political activity, which is affected by the formal structure of the government and hence a wide range of influencing factors (Page, 2015). According to Hall and Jenkins (as cited in Page, 2015), public policy in tourism is whatever governments choose to do or not to do, as it is a function of three interrelated issues according to the intention of political and other key factors; the way in which the decision and non-decisions which are required to be made; and the implication of these decisions.

Business Tourism in South Africa and Africa

There has been an acknowledgement of the global meetings industry, as Africa is becoming a preferred destination for conferences. There have been major international convention centres built in many countries including Ghana, Ethiopia, Morocco, Kenya, South Africa, and most recently Malawi (Rogerson, 2019). However, the spatial distribution of conferences in Africa by international association discloses that a large degree of business tourism events are clustering in South Africa (Rogerson, 2019). South Africa has gone from 86 associate meetings in 2011 to making 108 bids for meetings, incentives, conferences, and exhibitions in 2018/19, up from 94 the previous year, with the proposals total R2.5 billion, with the potential to bring 80,429 delegates to South Africa and generate 501 event days between 2019 and 2024 (South African Tourism, 2020).

3 Methodology

Primary and secondary data were collected and analysed, thus, making it a multi-method qualitative study. The study gathered information from respondents via telephone interviews, email, and face-to-face interviews. Triangulation was done through checking presentations and strategic documents provided, comparing against what the participant had described in the interviews, as well through the information available on the website of participants.

Non-probability sampling and convenience sampling were used. The researcher strived to contact the CEOs of the sampled companies, as it is assumed their opinions can be generalised as the opinions of the company as they are the ultimate decision-makers of the company. In the case where a CEO was not available, the manager in charge of business tourism was approached. Thus, expert sampling was used.

A total of 13 respondents were interviewed. The interviewed respondents were from a national, regional, and local level; they differ as some DMOs have convention bureaus and other DMOs do not.

The fact that South Africa's major business tourism provinces namely Western Cape, Kwa-Zulu Natal, and Gauteng have one regional DMO each and there is only one national DMO for South Africa restricted the possible number of participants. Furthermore, within these regions, very few LTOs were found that actively promote business tourism and would possibly have a formal strategy in place.

The use of only experts can result in saturation which forms an important part of the scientific process of a qualitative study, this is where no new information is achieved. This supports the small number of participants where the "how" and the "why" of research are more important. The fact that organisations at all three levels (national, regional/provincial, and local) and of varied nature/functions were included could also be regarded as a strength of the sample. Therefore, the participant profile is as follows illustrated below (Figs. 1 and 2).

The secondary data was collected after the interviews were conducted and data from the interviews had been categorised. The aim of the secondary data was to verify information provided in the interviews. Secondary data was collected by means of the Internet focusing on the websites of the interviewees. Documentation provided by the interviewees was also collected (Table 1).

The criteria for the selection of the secondary data sources were as follows:

- Websites were required to be the official websites of the DMOs or convention bureaus.
- Websites should have been updated in the last three years.
- Other sources should have been updated in the last five years.
- Strategies should have been updated in the last 15 years.

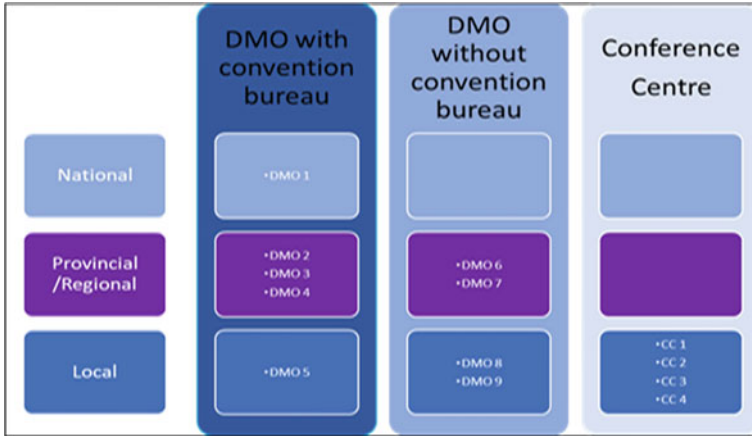


Fig. 1 Participant profile

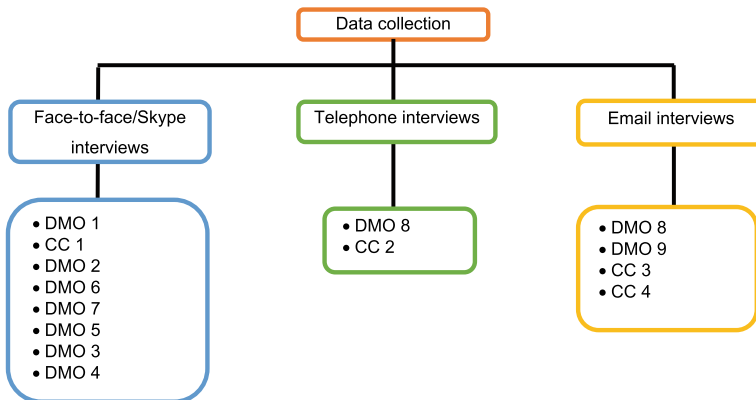


Fig. 2 Data collection process

4 Results

There are different DMO models implemented by destinations in order to lead, develop, and control business tourism. These models are created to ensure the facilitation of business tourism activities. Participants from convention bureaus and convention centres were asked whether they are a division of the DMO in their region. DMO1 stated:

there are different models of DMOs we are a DMO and South African Tourism (SAT) is a DMO and SAT markets and sells South Africa as a business event destination, as a leisure destination and with the Grading Council with quality assurance. So, we are not outside, we are a business unit of SAT. So, as a convention bureau inside the DMO the reason why we have a brand as a convention bureau is because that what is around across the world...This

Table 1 Secondary data sources

Source	Number	Participant
Websites	13	DMO 1–9 CC 1–4
Tshwane Tourism Association meeting presentation	3	DMO 1 DMO 2 DMO 5
Strategic documents	4	National government, DMO 1 (2015) DMO 3 (2016/17) DMO 2 (2013)
SANCB Factbooks	4	DMO 2 DMO 4 DMO 7 DMO 3
South Africa Bidding report	1	
Total	25	

is our model, then you find...let's take for example Germany because that is also a country. Germany convention bureau is standalone entity, so they are basically the considered the DMO for conventions and meeting in business events industry/meeting industry for Germany

The nationwide business tourism model was launched in April 2012 due to the National Department of Tourism (NDT) noticing a strategic gap as stated in the NTSS of 2012 that there is “No coordinated effort at national level to attract international events”. The action determined by the NDT was that the NCB would be responsible for business events, bid coordination and support, and the development and roll-out of a significant business tourism and events strategy. Former Minister of Tourism Martinus Van Schalkwyk told delegates at the opening of Meetings Africa 2012: “The NCB will add considerable value to the country’s business tourism industry... (it) will strengthen and support efforts already being made to drive expansion in business tourist arrivals to make South Africa a truly global force....South Africa is also well-placed to play host to any local or international MICE event. We have world-class business and conference facilities complimented by excellent leisure tourism attractions and hospitable, welcoming, skilled and competent people”.

This unique role was also expressed by DMO1 which defined the DMO as a specialised “vehicle that actually markets and sells South Africa as a business event”, with DMO8 stating that “DMOs play a major role because it gives a total picture, whereas individual business is concentrated on their businesses.”

The convention bureau deals with all the business tourism activities and renders specific services to the business tourism sector only. This model enables the DMO to go beyond the mere support of bids making sure that they attract bids to the country, but they also provide other services which include delegate boosting, on-site events services, and site inspection support.

The business tourism development strategy was adopted on a national, provincial, and local level, as DMOs 2, 3, 4, and 5 all stated that their CB forms part of the existing DMO within their region. According to DMO1, DMOs can only establish convention bureaus if they comply with specific criteria/services and are able to “render those services specifically on a region and a city level” (DMO7). The criteria include the following:

- Recognition by the local authority as the CB;
- Minimum budget/staffing;
- Scope of programming;
- Memberships: e.g. ICCA, EXSA, SITE, and SAACI;
- Agreed fees for certain marketing activities; and
- Active participation in key programmes, e.g. IMEX, Meetings Africa, or a minimum of two international sales missions per year

In cases where a CB has not been established within a DMO, due to various reasons such as financial and human resources, a business events unit within the DMO is required to perform the business tourism function for that particular region. DMO7 expressed that such a unit does not have the “additional resources” as a convention bureau and therefore cannot “spread your net or cast your net even wider in attracting more”. This statement is corroborated by DMOs 6, 7, 8, and 9’s websites: these four DMOs do not have a CB within their organisation. Their websites do not offer/or state services offered for business tourism. These websites only show suppliers such as venues and accommodation establishments which individuals can contact to make arrangements for a business tourism event. This differs from DMOs which have CBs within their organisation as they have a tab that links to their CB division, listing the services on offer specifically for business tourism. DMO3 was an exception as this website does not show any information on business tourism or suppliers which can assist with hosting a business tourism event in the destination. DMO3 also does not offer a link to the region’s convention bureau.

The unique roles performed by CBs include conducting research in order to generate leads that will bring the event to the destination. Also compiling of bids; conducting familiarising trips; as well as connecting the client and service provider with each other in order to ensure that an event can be hosted. However, they are also required to perform “traditional” DMO roles such as marketing the destination and bringing together all the stakeholders which will be essential to provide a seamless experience and meeting once in the destination. The destination needs to be marketed to potential clients as clients will not choose a destination if they do not have any knowledge of the destination but most important have a positive association with the destination. This finding affirms the statements made by UNWTO (2007) and Morrison (2013) that the image of a destination is fundamental for attracting visitors to a destination (UNWTO, 2007) and awareness is an attribute which is related to the tourists’ knowledge of the destination (Morrison, 2013). These factors do not guarantee the success of a destination, but, however, need to be in place for a destination to succeed.

Strategy and Policies

The strategy for the NCB has been aligned with the South African government's National Development Plan (NDP) (DMO1) as stated in South Africa's Tourism strategic plan 2012–2020: "SA Tourism is entrusted with a critical mandate of contributing towards creating an environment for sustainable employment and inclusive economic growth through tourism. SA Tourism has specifically interrogated and aligned its role to the National Development Plan 2030."

The NCB firstly defends the international association segment, by focusing on lead generation by attending trade shows and performing sales activities. Lead generation also includes the use of international sales representatives. The focus is also on local associations which have links to international associations in order to assist in bringing association meetings to South Africa. The local industry is included as suppliers for support services. Growth of the African association segment is fostered by establishing an African association for association executives, targeting African roadshows, and having sales missions focusing specifically on the African market. Lastly, NCB focuses on the improvement of South Africa's ICCA (International Congress and Convention Association) and Union of International Association (UIA) rankings improving the economic impact of the sector on the country and the number of delegates coming into the country as well as determining the return of investment (ROI) and the total number of business events hosted.

NCB attracts business events by targeting and focusing on a number of specific industries and sectors regarded as key in the South African economy including business process outsourcing, manufacturing, creative industries, information and communication technology, mining and metals, and lastly life sciences.

However, it seems like this strategy for the different industries per province isn't applied as CC1.

The national strategy is also called for the establishment of a coordinating forum. The SANCB's support service, known as the Business Events Coordinating Forum, was formed as one of Cabinet's resolutions (DMO 1). This forum consists of all the qualifying CBs. Regions that do not have a CB are represented by Provincial Tourism Boards (PTO) and business event units in City Tourism Organisations.

The coordination forum holds status meetings quarterly to discuss "where are we, where do we go, and what media buy do we do together" (DMO1). The coordination forum plays a number of important roles within the business tourism sector mainly

- **Coordination:** It ensures that the national, provincial, and local DMOs are working together and that there is a lack of conflict when it comes to hosting and bidding for events.
- **Financial bidding requirement/restrictions:** It ensures that no association bidding happens unless it has gone through the forum. This ensures that a region/city does not offer to bid for events where the country cannot afford, and the county is not committed.
- **Joint marketing:** As all public DMOs share only one budget, the forum decides on joint media purchasing.

- **One bid per country:** This ensures that there is only one bid from the country for association meetings and events. This is done through bid-off (cities bid against each other internally), blocking of events if another region/city has been put in or generated the lead. This ensures that the mandate of industry development in certain areas is met.

Other methods that are included to increase business tourism mentioned by DMO9 and DMO1 are by having the headquarters of companies/city in your country, which guarantees that meetings and events will be held at your destination. DMO1 also mentioned there is a five-year ambassador programme where individuals are identified, empowered, and enabled to possibly bring bids to the destination.

The Tourism Act 2014 (Act No 3 of 2014), NTSS, NDP, and SAT strategic plan all serve as a guideline for provincial and national DMOs to create business tourism strategies for their particular region. However, not all DMOs have created a business tourism strategy as of yet, with three out of the nine DMOs yet to create a business tourism strategy. It is important to note the development of the strategy had extensive stakeholder input and the strategy was developed as a “South African events strategy and not as a South African National Convention Bureau strategy” (DMO1). Two participants (DMOs 6 and 7) at a regional level that do not have a CB expressed that they do not have a business tourism strategy, but are working closely with the NCB and “feed off that main strategy...almost like giving it legs” (DMO7). However, not all DMOs followed the national tourism strategy. DMO9 stated that they formulated their own business tourism strategy with the help of their local university and input for stakeholders to develop a first-of-its-kind in South Africa: a living conference centre where all the accommodation products, all venues, conference venues, and suppliers participate in hosting medium to bigger sized conference and events in the town.

Business tourism in South Africa has been developed by the NCB putting together a strategy to ensure that the business tourism sector has grown and that each province should focus on and align themselves with certain industries as stated in the NTSS. This aligns with Papadopoulou (2016) who stated that the NTO is responsible for the management and marketing of tourism at a national level and further emphasised by Page (2015) who stated that strategy formulation of DMOs is influenced by government policy. The South African tourism business strategy is meant to ensure that resources are used in a correct manner and reduce wastefulness.

The role of the NCB in ensuring that the right cities and provinces bid for suitable events is an important and unique aspect of the DMO’s role in the business tourism context. As knowledge transfers into a particular area and investment opportunities are created, this very important by-product of business tourism is strengthened. If events go to cities and provinces, the benefits of that particular event are not as extensive as they potentially can be, if the event is not aligned with core industries within that province. As stated by Seymour (2016), the most important factors are social responsibility and skills development. However, it seems that it is not always the case, as in some instances events which would be most beneficial in one area are hosted in another, for example, the biggest ports conferences being held inland and

not at a coastal city. However, it is important to note that the client has the final say in which province or city they would (which is often politically driven). Therefore, the coordinating forum's role in ensuring that events are aligned to the NDP is limited to determining where the event can be held.

Research and lead generation also form an important part of the development of business tourism. DMOs/CBs play an essential role in searching for possible events that will best suit the destination as well as developing relationship with clients. The process from lead generation to the actual hosting of the event can take up to 10 years. In this process, the DMO/CB might be required to put together a bid that has all the required supporting documentation along with a formal document or a presentation given to the potential client. The selection committee of the client might also require a site visit of the destination (this includes the hotel, venue, and surrounding attractions) depending on their needs to ensure that the destination is best suited for their event. Here, collaboration is essential at the different levels to organise the logistics of these visits to leave clients with the best impression of the destination. Dwyer and Mistilis (1999) stated that it is vital for the success of MICE that stakeholders coordinate in the delivery of their product. Wu and Zhang concur that competition amongst conventions and tourism stakeholders is a growing concern; whether the synergy between tourism and the convention industry is good or not is largely dependent on the degree of their coordinated relationship. Therefore, various tactics are employed to ensure that the selection committee has a seamless experience and a preview of what the delegates would experience once they are in the destination.

Once the event has been won, the DMO/CB provides services to the client to ensure that the organisation of the event runs smoothly. They have to ensure that the best suppliers are used, but also they are mandated to create jobs during the development of SMME businesses which goes along with hosting an event. As stated by Roger and Davidson (2016b), there are a variety of intermediaries that work on behalf of the buyer, as business tourism events are complex and require technical knowledge. They also provide delegate boosting—this is the marketing of the event to ensure that the event is well attended by the delegates. When the event arrives, they assist with airport welcoming and information provision for the delegates.

DMOs/CBs are mandated to provide a great deal of support to stakeholders and have to facilitate constant communication among the stakeholder at various levels within the destination.

Therefore, the roles which DMOs/CB perform in order to develop business tourism in a destination are represented in the table below, and these roles form the foundation of the conceptual framework.

Taking both the literature and empirical findings into consideration, Fig. 3 presents a conceptual framework for the unique roles and functions that have to be performed by DMOs/CBs to develop business tourism in a destination.

Lead generation, marketing, and communication are performed by all DMOs on all levels. There is top-down communication (national to local DMO) as well as bottom-up communication (local DMO to national DMO). Essential is a business tourism strategy at a national level that is adapted by provincial and local DMOs to suit

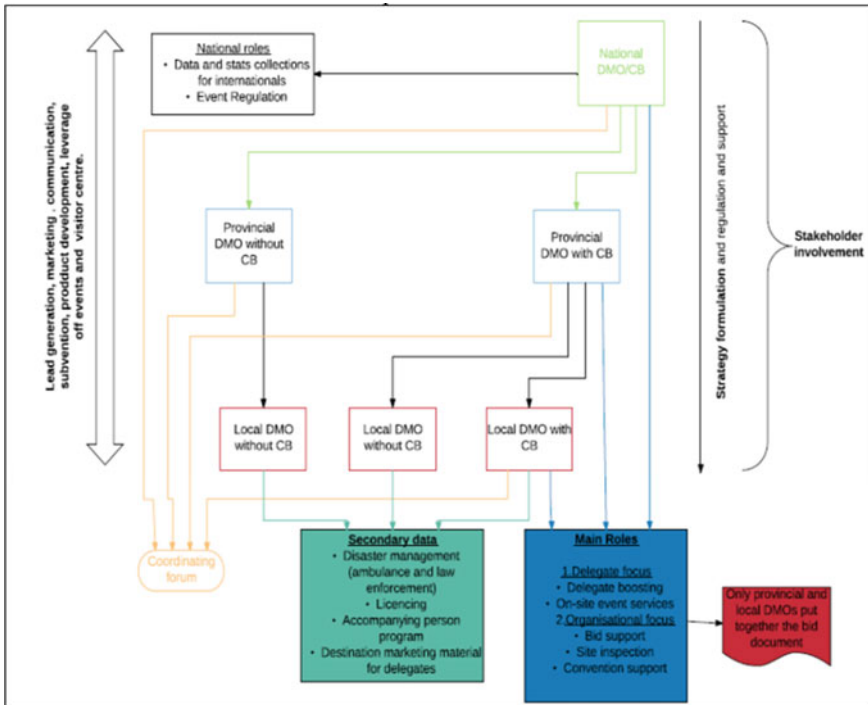


Fig. 3 Framework of DMO/CB to develop business tourism in a destination. *Source* Researcher’s own construct

their product offering and industries which are predominate within their region. The national strategy should be created through stakeholder involvement. The national DMO/CB should also provide support as well as regulate how provincial and local DMOs/CBs operate.

To ensure the transparency, coordination, and communication of all DMOs/CBs, a coordinating forum should be formed. A coordinating forum should encompass the national CB, all provincial tourism boards regardless of whether they have a CB within their DMO or not, and lastly local DMOs which have CBs within their organisation. The coordinating forum should be able to determine where the destination is at the moment, and where it would like to be. This will entail a strategic evaluation of leads being pursued and RFQs sent out. The coordinating forum ensures that the best possible DMO/CB for the particular event assembles the bid. The budget and how the money will be spent are also determined. Areas in which the DMOs will collaborate in marketing are also determined.

Roles performed by DMO/CB are also illustrated above. The National DMO/CB performs a function that is not performed by other DMOs/CBs. This is the compilation of statistics such as the number of events held in order to determine the destination’s ranking on an international platform. Provincial and local DMOs/CBs assist

the national DMO/CB with this function by sending the necessary information to the national DMO/CB. The unique main roles played by DMO/CB in order to develop business tourism can either be organisational and/or delegate focused. These roles are distributed among the DMOs/CBs depending on what has been determined by the coordinating forum. These are, however, secondary roles that are performed mostly (but not exclusively) by local DMOs. Functions that DMOs perform all take place hand-in-hand with stakeholders, as the tourism industry is a product that is an amalgamation of tourism products, and the success of the business tourism event is dependent on the cohesive working of all stakeholders.

5 Conclusion

This study seeks to determine has the establishment of this Convention Bureau within South Africa Destination Management Organisation (DMOs) the key to developing business tourism in the destination. The number of business tourism events has increased tremendously in South Africa since the establishment of the Convention Bureau within the DMOs. A clear business tourism strategy needed to develop with a long-term focus needs to be created which has clear roles and responsibility of each stakeholder outlined, with a focus on urban and rural locations. This strategy will, however, not be successful if it is not supported from a national level and filtered down to the ground level where the business tourism will be experienced. This model is succeeding in South Africa and can be used across the African continent.

The results of the empirical research and subsequent framework on unique roles and functions performed by DMO in order to develop business tourism are limited to the organisations and respondents targeted in this study. Thus, the results are confined to the population as delineated and cannot be generalised to apply to all destination management organisations and convention bureaus in the business tourism sector. Comparable research on the roles and functions that DMOs perform to develop business tourism within a destination will have to be done in other DMOs and CBs to determine the roles and functions to be performed in that particular destination which will result in the development of business tourism in that particular destination.

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