

CONFERENCE TOURISM IN KENYA: Towards Tourism Product development, Diversification and Extension

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ABSTRACT

Kenya is predominantly a nature- based tourism destination with wildlife (concentrated in the southern part of the country) and beaches (along the Indian Ocean) accounting for over 85% of the international tourists visiting the country. Other attractions are based on the physical landscape of the country and the culture of the people. However, the emergence and constant growth of MICE travelers on the demand-side have shifted the perceptions on tourism marketing globally. Unfortunately, the full potential of conference tourism has not been exploited locally. The development, marketing and promotion of conference tourism in Kenya have been disparate. This has been entrenched further by the lack of a co-ordinated, targeted effort to market conference tourism in global markets. This paper seeks to highlight and assess venues for the development of conference tourism in Kenya. It also seeks to isolate strategies for harnessing even greater potential of conference tourism in Kenya. The paper acknowledges the emergence of M.I.C.E tourism as an alternative tourism strategy of choice for Kenya's tourism diversification and development strategies. The paper recommends that properly structured foundational activities need to be put in place towards building a strong destination-based 'Conference tourism' brand. These activities would include the establishment of a conference bidding team composed of the major stakeholders in the meetings industry. Further, the establishment of a fully-fledged and government supported conventional bureau would be the best intervention in the promotion of conference tourism in Kenya. By de-centralizing tourism promotion and marketing, the government would essentially harness the advantages related to outsourcing. By combining, sharing and expanding core competencies, these networks enhance K.T.B.'s efforts of efficiently marketing Kenya's tourism sector drastically.

Keywords: Tourism, Attractions, Wildlife, Beach, Culture, Conferences, and Kenya.

1.0. Introduction

The conference industry is one of tourism industry's lead revenue generators for many destinations worldwide. Continental ranking of conference tourism pits Europe and Asia as the leaders while North America and Africa follow suit. This has accelerated change and economic growth and more importantly the product development to embrace emerging needs and thus making the (tourism) sector the 29th largest contributor to the gross national product globally (Wekesa, 2006).

Within Africa, South Africa has been the most popular in hosting meetings in Africa, followed by Egypt, Tunisia and Morocco. Kenya takes the 4th position. City wise, Nairobi ranks 5th after Cape Town, Durban, Cairo and Johannesburg. In Kenya, the Kenyatta International Conference Center, United Nations office in Nairobi, Gigiri, Safari park Hotel in Nairobi and the Whitesands hotel and Sun-n-sand hotel in Mombasa have been and still are the strong forces behind development of conference tourism, coming out as the main host venues for most of the international events / conferences coming to Kenya. In the recent past, a

host of other hotels and institutions of higher learning in the country have been also instrumental in hosting meetings and events (Victoria Safaris, 2007).

However, the development, marketing and promotion of conference tourism as a tourism product in Kenya have been disparate. This has been primarily due to the fact that each facility presents into the market a conference product with little regard of the complimenting tourism activities. This has been entrenched further, by the lack of targeted efforts by the Kenya Tourist Board on this sub-sector to co-ordinate the marketing and promotion of conference tourism in Kenya. Most of the KTB's efforts have been on high value holiday travelers neglecting the all-important M.I.C.E. travelers. The M.I.C.E segment is arguably the fastest growing global segment of the tourism market, growing at the rate of 8-10% per annum. In search for a resolve to these problems, this paper seeks to stimulate dialogue and presents a thesis on the impact and future potential of Conference tourism in Kenya. The paper is organized as follows; Section 2.0 highlights the

performance of conference tourism globally, regionally and subsequently in Kenya; Section 3.0 further presents the structure of the meeting industry in Kenya and a brief categorization of suppliers in the meetings industry in Kenya. Subsequently, section 4.0. seeks to present brief recommendations, policy implications and conclusions for the paper.

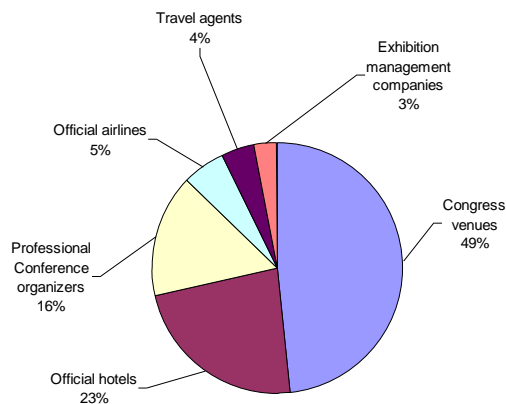
2.0. The performance of Conference tourism globally.

According to the convention industry council's 2004, Economic impact study, the meetings, conventions, exhibitions and incentive travel industry in the United states alone generated \$ 122.31 billion in total direct spending in 2004, making it the 29th largest contributor to the gross national product. According to the statistics report of ICCA, there has been 60% increase in the world's total number of association meetings series taking place regularly and which rotate

between different countries (ICCA 2007). Subsequently, this has accelerated change and economic growth and more importantly the product development to embrace changing needs. The MICE sub-sector is one of the fastest growing sub-sectors within the tourism industry, which has embraced the state-of-the art technologies, contemporary marketing concepts as it is driven by tech-savvy and fast moving demand, which requires a matching supply.

Europe, North America and Asia take the lead in all the continents with the Europe having the largest market share and have remained stable over the lat decade. Asia has the second largest market share with more than 18% of all meetings that take place. According to 2004 figures from the International Congress and Conventions Associations (ICCA), the local meetings industry performed as follows:-

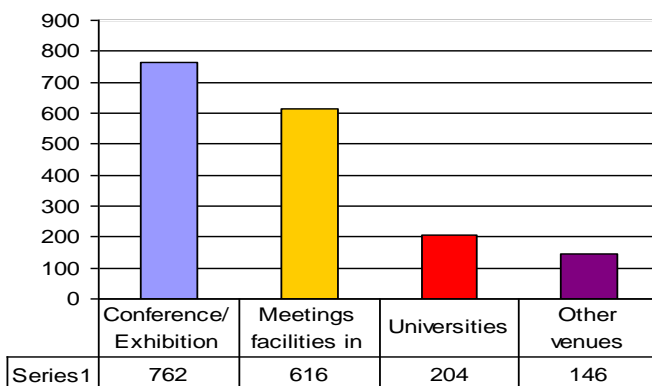
Figure 1.0: Suppliers utilized in the organization of the meetings in 2004



| INTERNATIONAL MEETINGS 2004 | |
|--|---------------|
| Total international meetings | 4,804 |
| Average number of participants per meeting | 683 |
| Average number of Days per meeting | 4.19 days |
| Average expenditure per delegate per meeting | USD 1,742 |
| Total expenditure per meeting | USD 1,189,113 |

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Table 2.0 : Types of Conference venues used in 2004



1.2. Performance of MICE tourism: The regional Scenario

More than three quarters of the meetings taking place in Africa have a worldwide rotation area. South Africa has been very popular in organizing meetings in Africa, followed by Egypt, Tunisia and Morocco. Kenya takes the 4th position. Capetown has always taken the lead in organizing international meetings in the past years. The ICC and Sandton in South Africa compete regionally and globally. Their settings can be formal or informal according to the needs and wants of the clients (Victoria Safaris, 2007).

1.3. Performance of MICE tourism: Kenya's Scenario

According to the Kenya Tourism Master Plan (G.O.K, 2005a), Kenya boasts of world class meeting places in addition to the traditional wildlife and beach attractions. In the year 2004, the local conferences increased by 13.3% from 805 to 912 conferences while international conferences increased by 15.1% from 126 to 145 conferences (G.O.K, 2005b). Cairo and Nairobi are emerging to be the conference hub of repute in Africa, as well as commanding great rapport among conference organizers globally. Specialized conference facilities have been developed thus increasing the conferencing supply capacity in the country. Conference facilities in most cases have gone hand in hand with holiday accommodation thus placing hotels and accommodation facilities as the frontline tourist facilities (Victoria Safaris, 2007).

During the tourism slump of the 1990's, conference service providers especially hotels and resorts strategically positioned themselves to take advantage of this money spinning business. The boom from this complimentary revenue source then was taken up seriously and perceived as the '*Goose that lays the golden egg, when the hen was not producing*'. Further, the change of government in 2002 boosted economic- political stability and security, two main motivators for investment and thus investor confidence for international conference organizers on Kenya. More than a decade later, conference tourism & business travel rather than holiday travel has developed to be the major boost to Kenya's tourism and travel industry. The same earned respect to Kenya as a reliable partner in regional peace initiatives for neighboring countries. These include the recent

inauguration of the Somali interim government and signing of the peace agreement between southern Sudan and Khartoum government.

3.0. Conceptual framework

3.1. The ripple effect of Conference tourism

MICE tourism is fundamentally different from business tourism as it demands specialty infrastructure, marketing and support services from the conventional business tourism product.

3.1.1. On the Macro-scope

On the macro-perspective, conference tourism contributes a lot to the renewal, maintenance and (or) development of vital support services. Regardless of the type and size, the different aspects of conference tourism involve, require and develop a number of support services either directly or indirectly and thus have an instant impact and (or) multiplier effect.

(a) Direct Support services (Infrastructural)

These elements are useful in enabling a conference to take place. Their existence is not necessitated by the conference, however the occurrence of a conference directly translates into the development of vital support services such as the local banking industry consequently maximizing on the arising opportunities financially or otherwise.

(b) Transport and Communication

For any conference to take place, exchange of information from one place and the movement of human and goods from one place to another are inevitable. This translates into sedentary telephone, mobile telephony and Internet costs or expenditure on either side of the lines as well as expenditure on transport services and fuel. Considering the human resources on logistical elements will include travel agents, airline staff, civil aviation staff, airport staff, immigration staff, customs staff, tour operators, bus operators and taxi operators for international conferences. For local conferences, the transport requirements are differentiated from international conferences by the limited involvement of the airport/frontier staff since a small number of delegates might fly from abroad. Associated to this element are transport related services such as fuel stations and garages. A lot of short and long distance telecommunications is involved either via facsimile, telephone, mobi-phony, satellite, Internet and mail service. This translates into airtime, computer time, stamp costs and courier services.

(c) Hospitality (Accommodation & Catering)

The need for hospitality facilities in the meetings industry is crucial. This necessitates accommodation arrangements for not only night-resting but also for secluded recess for conference participants and guest speakers during the day. This translates into increased demand for accommodation and meals, which necessitates an increase supply of the raw materials required to produce these especially the meals.

(d) Electrical/ Electronic

Electric consumption absolutely increases during a conference, whether it's during the day or at night. This is so because; there is extended use of electronic and electric equipment during a conference. The equipment includes computers, chargeable batteries, security lights, specialized light, projectors, and heating equipment, fuel pumping equipment and extended time of using domestic lighting.

(e) Social Amenities (Medical Health Support/security).

The need for emergency medical services is paramount during a conference. These appear on site or as alerts within the nearest medical facilities. This translates into more man-hours put in by the staff within these institutions. This applies to security machinery and other social amenity facility within the location including fire and rescue services, sanitation and waste management.

(f) Indirect effect (involvement)

The ripple effect during a conference extends beyond the directly involved organizers and the physical-business-social infrastructure to include the other sector that would not even be aware that the conference is taking place. Included in this

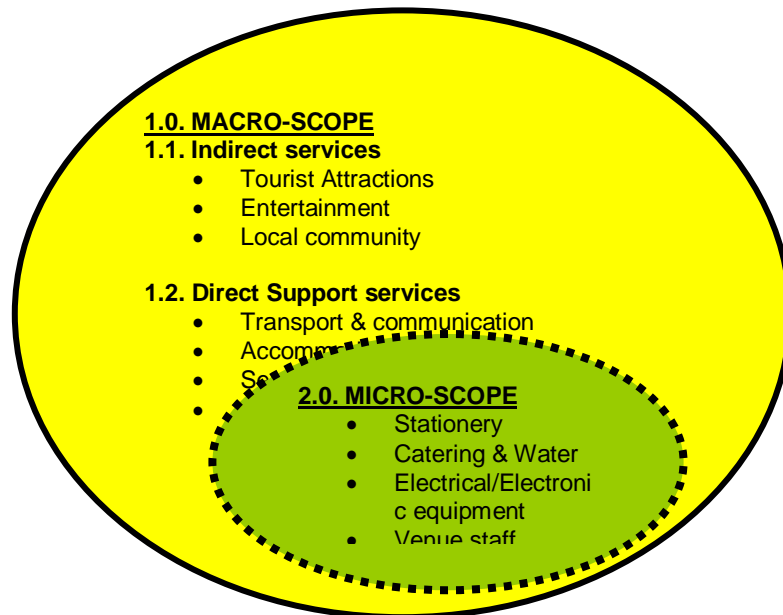
category of beneficiaries include the local community, who will benefit from cash flows arising from the positive change in income of the directly involved sectors. The local community represents small-scale businesses serving the residential areas, farmers, as well as entertainment venues within the vicinity as well as further a field. Tourist attractions record increased visitation when a conference within the proximity as the delegates take time to sample them during

3.1.2 On the Micro-scope

At the local level (conference/event venue), a number of demands require satisfaction for the conference/event to be successful. These include stationary; catering and water include all available catering resources for clients i.e. providing meals, and the venue for taking the meals, the sitting arrangement etc, the electrical/ Electronic equipment is support facilities like microphones, SIE, air conditioners, generators and other equipment; venue staff; that is the already existing staff that performs the basic day to day running of the event venues and attending to clients; the hired staff are the outsourced workforce who carry out specific duties which have been allocated to them; Hired services include things like consultation, which may not be available in that organization.

Figure 1.0. Diagram of conference

on the scope tourism



2.0. Structure of the meeting industry in Kenya

The meeting industry has been riding on the conventional tourism industry structure, getting its greatest support from the local hospitality institutions, stadia and academic institutions to meet the various meetings demand. The following section presents both the supply and demand-side components of the meeting industry in Kenya.

2.1. Categories of the local meetings industry suppliers

Since this is a service and subscribes to the unique characteristics of intangibility, perishability and inseparability of services and the providers, the intrinsic demands for meetings industry define the categories of suppliers for the same. The demand for the MICE tourism product is determined by factors such as facility availability; reputation for high quality services; travel distances for attendees; promotional qualities; image of the venue & destination; weather; activities offered; and pricing.

2.2. Conference facilities in Kenya.

There are over 2000 meetings, incentive travel, conference and events/ exhibitions (M.I.C.E) facilities in form of hotels, lodges, learning institutions, Conference/Convention centres and Stadia all over the country concentrated in the major towns, along the coast and national parks, all with conference facilities of varying capacities. Public learning institutions have by virtue of their core business constructed to provide venues of information and knowledge exchanges in form of lecture theatres and seminar rooms. These have also been used as secondary source of income for these institutions through hiring the facilities to the local market for conferences, meetings and seminars. While stadia have been able to cater for demands of huge crowds especially for political and religious functions.

3.0. Recommendations, Policy implications & Conclusions

3.1. Recommendations: The Proposition

A number of foundation activities need to be put in place towards harnessing the great potential in conference tourism and building a united front. These will include Conference tourism product audit; Conference tourism brand; Convention Bureau and; Marketing & Promotion.

3.1.1 Conference tourism product audit

A proper conference tourism product audit is necessary towards forging a united front in tourism development. A product audit will involve:

determining the number of conferencing facilities in the country by region and their capacities; determining what number of these facilities has accommodation and those without and determining the available accommodation around facilities without; distance & capacities.

3.1.2. Conference tourism brand

Conference tourism is a niche market product and should be differentiated, though complimented, with other tourism products. Having withstood the most turbulent times in Kenya's tourism, conference tourism through lacking a particular identity, has been a revenue source to reckon with.

Developing Kenya's conference tourism brand would be the next prudent step in differentiating this unique product. Kenya's tourism in general has been identified by culture (Maasai) and wildlife (big-five), for a long time such that it's very hard to think of Kenya as a tourism destination without thinking of the two. Riding on these strengths and creating an extension identity would be ideal in differentiating the conference tourism product with the general holiday product. This will entail; logo and color for the brand; slogan; website and; convention bureau.

4.1.3. Convention Bureau

The current global growth in the meetings industry is momentous both in size and type of demand and thus requires well-coordinated efforts for a destination to win international conference bids. The marketing and promotion of conference tourism in Kenya has been disintegrated, as each facility presents into the market, with little regard for other complimenting facilities. Harnessing of all this disparate resources would go along way in presenting a united front in conference tourism marketing. It has become the global trend to establish a fully-fledged and well funded Convention Bureau that is either government run, Quasi-government or privately funded and run.

A Convention Bureau is a non-profit making organization charged with the responsibility of promoting convention, exhibition and incentive travel. A convention bureau provides an integrated avenue in coordinating business and conference tourism marketing, international conference bidding.

4.1.4. Marketing & Promotion

More focused marketing of conference is paramount at this stage. This will entail standardizing marketing and promotional

strategies to ensure the same message is passed across the market about Kenya conference product, locally and internationally. Such areas that would require standardized messages would be; promotion materials for the brand; website for the brand, sponsored by stakeholders; creating a bidding team composed of the main stakeholders; and creating an association of conference tourism membership association.

5.0. Policy Implications: The Stop-gap measure

Development of the conference tourism to achieve a recognizable and independent brand status is a long shot, given the enormous logistics and resources required. However, riding on the back of the conventional tourism promotions as carried out by the Kenya Tourist Board, would pave way for the establishment the conference tourism brand. The Kenya Tourist Board has been mandated to promote and market Kenya as a preferred tourist destination locally and internationally.

Quite a number of initiatives have been undertaken to carry out this mandate. Amongst them being; The establishment of regional market segments and market development representatives; development of a destination website; participation in tourism fairs and exhibitions locally and internationally; production of promotional materials; measuring of tourism trends and frequent press releases. However, a more specific and focused approach on conference tourism is required.

5.1. The Bidding Team

A bidding team for Conventions, Exhibition and events is important as a stop gap measure prior to establishment of Conventional Bureau for Kenya. This team would involve representatives from the main stakeholders in the larger tourism industry that supply tourism services. These would be;

| | |
|---------------------------|--|
| Major stakeholders | <ol style="list-style-type: none"> 1. The Department of Tourism 2. KICC Corporation 3. Kenya Tourist Board 4. KAHC/KATO 5. Local government 6. OP-Police 7. Rest Private sector 8. Local interest representative |
| Others | <ol style="list-style-type: none"> 1. Kenya Wildlife Service 2. Kenya Airports Authority 3. Immigration Department 4. Customs Department 5. Private sector |

6.0. Conclusions

With the rapid development of the M.I.C.E traveler markets globally, the development, marketing and promotion of conference tourism in Kenya needs to be equally enhanced to bridge competition from emerging destinations. In order to improve regional rankings, we need to develop cohesive and symbiotic relationships with the market-side partners. Building bridges and creating professional and respectful relationships within the meetings industry and with our key meetings industry partners not only makes business sense, it makes common sense. Professional, respectful and mutually beneficial relationships are what are lacking within the Kenya's meeting industry.

Forging of such symbiotic relationships locally and internationally can grow this unique tourism sub sector by leaps and jumps. A bidding team should be established prior. Further, the establishment of a fully-fledged and government supported conventional bureau would be the best intervention in the promotion of conference tourism in Kenya. By de-centralizing tourism promotion and marketing, the government would essentially harness the advantages related to Outsourcing. By combining, sharing and expanding core competencies, these networks enhance K.T.B.'s efforts of marketing Kenya's tourism sector.

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