

# Congressional service provider's potential evaluation methodology and rural development

## *Metodika hodnocení potenciálu poskytovatele kongresových služeb a rozvoj venkova*

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**Abstract:** This paper concerns the methodology formation for evaluating the service provider's potential in the area of congressional services. Congress tourism is an economically effective and a very prestigious event. That is why advanced countries and world famous cities are interested in the top-class congress tourism. For the city which houses the congress it means not only income to its budget but also new job opportunities. We have tried to quantify the congressional provider's potential through indexes. We have created the Index of Congressional Service Provider's Potential  $I_{CP}$ . This methodology can also be used in rural development.

Key words: congress tourism, index of congressional service provider's potential

**Abstrakt:** Příspěvek popisuje proces tvorby metodiky hodnocení potenciálu poskytovatele kongresových služeb. Kongresový cestovní ruch je ekonomicky efektivní a je velmi prestižní záležitostí. Z tohoto důvodu je o kongresovou turistiku na špičkové úrovni mezi vyspělými státy a světovými městy velký zájem. Pro město, kde se kongres koná, to znamená nejen vysoký příjem do jeho rozpočtu, ale i nové pracovní příležitosti. Navržený způsob kvantifikuje potenciál poskytovatele pomocí indexů. Došlo k vytvoření Indexu potenciálu poskytovatele kongresových služeb. Tato metodologie může být využita v rámci regionálního rozvoje, kdy může pomoci zefektivnit podnikatelskou činnost jednotlivých provozovatelů těchto služeb.

**Klíčová slova:** kongresový cestovní ruch, index potenciálu poskytovatele kongresových služeb

Congress tourism is an economically effective and a very prestigious event. That is why advanced countries and world famous cities are interested in the top-class congress tourism. For the city which houses the congress it means not only income to its budget but also new job opportunities. What is more, after a successful congress performance, the prestige of the city or the country is stronger.

Considering the highly competitive environment and the strong competitive struggle on the congress services market, it is not really easy even for congressional service providers to compare their position towards competitors correctly. During the decision making process about the congress placing into one

of the many congress destinations, it is necessary to weigh many factors and that why it is very demanding to choose the most important and fundamental ones. The objective of this project is to suspend this constraint and to suggest a suitable tool for evaluating the particular congressional service providers.

For more than 52 years, the statistics evidence about world tourism has been held by the Congress Department of UIA (Union of International Associations) according to the exactly given criteria which enable the authentic interannual comparison. Congressional events that are included into the statistics must comply with the following conditions (Němčanský 1999):

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- Minimal number of participants is 300
- 40% of participants are foreigners
- From at least 5 countries
- Minimal duration is 3 days

Sysel (2005) defines the congress tourism as a specific form of tourism which includes the set of activities – aimed to the scientific and professional knowledge or the experience exchange – connected with travelling and staying of the participants in the congress place. Together with this, we have to count with the additional congress programmes and other free time activities in the congress place.

Orieška (2004) says that the definition of a congressional event that can be acceptable for theorists and practitioners does not still exist. In his opinion, the experience confirms that congresses play a significant role in the professional and social life. They enable information, knowledge and experience exchange from different scientific or social branches, developing scientific and expert cooperation and also gaining new professional contacts. Thanks to congress dimensions and the fact that they are often longer time lasting events that should fulfil specific given objectives, they need a relatively hard organization work of many subjects. The responsibility for smooth performance can be apportioned among an organizing guarantee and a professional guarantee. An organizing guarantee is usually one of the congress agencies or other professional congress organizers, for example the PCO (Professional Congress Organizers), the IAPCO (International Association of Professional Congress Organizers), CTA (Congress Travel Agent), the DNC (Destination Management Company), the ICCA (International Congress and Convention Organization), and the EFCT (European Federation of Congress Cities).

The main objective of this project was to set up the methodology for evaluating the service provider's potential in the area of the congressional tourist trade where the provider means the owner of the congressional ground. The suggested methodology should be applicable from specialized facilities and buildings such as congress centres and palaces through hotels up to specific places determined for congressional events. The core of the methodology is the effort to quantify the provider's potential through indexes. The used methodology can also be used in rural development.

## MATERIAL AND METHODS

As a research tool for the evaluation of congress provider's potential, we have chosen the questionnaire (see Table 2) which contains questions for significant

features that influence the quality of the provided services and thereby the size of the provider's potential. The methodology and the list of significant features has been set on the base of the professional literature studies (mainly Ďaďo 2002; Morrison 1995; Ryglová 2005) and depth interviews with experts - practitioners. For the better transparency, these features have been divided into 10 hypothetical groups:

1. The hall and building equipment
2. The neighbourhood of the organization
3. Technical equipment
4. www pages
5. Additional services
6. Organization employees
7. Partnership
8. Customers
9. Marketing
10. Organization

Consecutively the particular features, depending on their character, are ranked into the particular category. Considering the intention to quantify the evaluated potential, it was necessary to transform the particular attributes into the questionnaire questions which are constructed as closed dichotomy questions, aimed on congress providers.

Another task was to set the importance level of the particular attributes. We could consider one of the statistic methods or some expert method (for example the method of pair comparison, allocation methods etc.). Finally, the Index of Congressional Service Provider's Potential  $I_{CP}$  was set and the possibilities of its application were specified.

## RESULTS AND DISCUSSION

The formulated questionnaire contains in total 257 attributes which influence the Index of Congressional Service Provider's Potential  $I_{CP}$ . The distribution of features is evident in Table 1. Most of all characteristics are included in the category of "Technical Equipment", which is mainly caused by a large amount of the used technical apparatus and the incompatibility of some equipment or programme facilities mostly from the field of computer technology. The lowest number of all features is in the category of "www pages". This fact is influenced mainly by its specificities and a very narrow specialization. The number of characteristics in the particular categories has no interaction with the importance of the individual groups. Thus we cannot say that the category of Technical Equipment is more significant than the factors from the category of www pages.

For better realistic clearness, an example of all attributes from the category of Partnership is given below:

- Are you a member of any national business chain?
- Are you a member of any international business chain?
- Do you cooperate with a partner in case you are not able to fulfil the actual demands?
- Are you a member of the ICCA?
- Are you a member of any other international congress organization?
- Do you cooperate with any congress agency?
- Are you a member of a congress association working in the EU?
- Is there a study concerning the future development of your city as a congress destination already existing?
- Is there a convention bureau in your city?
- Do you cooperate with a foreign partner in the field of congress tourism?
- Do you cooperate with the public sector?
- Do you cooperate with any professional congress organizers?
- Are there any regional information and reservation systems operating in your region?

The level of significance of the individual features was set through the expert method of depth interviews with experts from different fields of congress tourism. Four subjects were willing to cooperate. These are:

- TA-SERVICE Agency – congress agency.
- SYMMA Agency – organizer of congresses, conferences, seminars and firm presentations.
- CZECHTOURISM – state granted agency to support different activities in tourism and to represent the Czech Republic abroad.
- AVT BRNO- audio-visual agency.

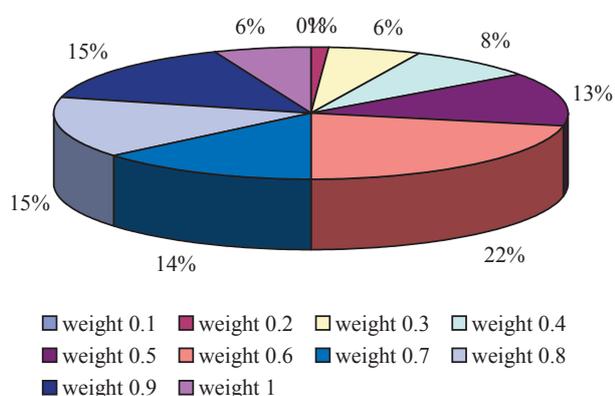


Figure 1. Spreading of the particular weights

The experts assigned weights to all features. There were 4 evaluating weights for each attribute. These weights were treated by the arithmetic mean. We can state that the weight in value 1.0 means the necessity to fulfil these characteristics to provide quality services and to be successful in competition. The spreading of the particular weights is shown in Figure 1. We can see that the features with the weight higher than 0.6 comprise over seventy percent (71.60%) of all characteristics. These attributes have a significant impact on the evaluation of the congressional service provider's potential.

The only one feature represented by the question "Is there any cycling route in the near neighbourhood?" gained only weight 0.1. It means that this is the least significant attribute which almost does not influence the provider's potential. In contrast to this, 15 characteristics reached the weight value 1.0. These are:

- Do you have a personal computer or laptop still ready to use for presentation?
- Is the presentation computer equipped with a remote control?
- Do you gain new customers through references?
- Do you guarantee the same prices for at least 2 years for your permanent customer?
- Do individual events have their project managers?
- Do you offer individual pricing?
- Is it possible to pay for services in foreign currencies?
- Do you cooperate with any audio-visual agency?
- Do you reply to orders within 24 hours?
- Is it possible to pay by invoice for your permanent customers?

Table 1. The spreading of factors among the particular categories

Category	Number of characteristics
The hall and building equipment	41
The neighbourhood of the organization	40
Technical equipment	73
www pages	9
Additional services	18
Organization employees	13
Partnership	13
Customers	23
Marketing	13
Organization	14

Table 2. Part of questionnaire

The hall and building equipment	Answer Y/N	Weights
Is there an access of daylight in all conference rooms?		0.4
Is there a possibility of blackouts in all conference rooms?		0.9
Is there a possibility to regulate the intensity of artificial light?		0.6
Are all conference rooms air-conditioned?		0.9
Can the air-conditioning be regulated straight from the conference rooms?		0.5
Is there a natural access of fresh air in all conference rooms?		0.7
Is the capacity of the congress institution over 300 persons?		0.8
Are the congress halls equipped with light effects (colour, logo, spot)?		0.3
Do you own a variable and demountable stage?		0.6
Are the hall dimensions variable?		0.7
Is there a dressing room for participants in the complex?		0.8
Is there a barrier-free entrance in all spaces for customers?		0.7
Is there a background for organizers in the congress halls?		0.9

- Do you monitor your customer satisfaction?
- Is there a responsible person still ready to help during the event?
- Is the presentation computer equipped with the software for presentations in the format MS PowerPoint (.ppt, .pps)?

For better clearness, a part of the questionnaire in Table 2.

### Index of the congressional service provider's potential

For the evaluation of congressional service provider's potential, a relative indicator is used: Index of Congressional Service Provider's Potential  $I_{CP}$ . This relative indicator will enable us to compare more institutions better than in case of an absolute indicator usage. We calculate the Index by the following formula:

$$I_{cp} = \frac{\text{Reached score}}{\text{Maximum score}} \times 100$$

The total score which can be maximally reached is 166.1 points.

The closer the counted index  $I_{CP}$  is to 100 %, the higher potential for congress service providing is reached. The ideal situation is the value of 100 %. According to the index  $I_{CP}$  we can differentiate 5 levels of the congressional service provider's potential (Table 3).

We need to know the total score for the individual categories to reveal easily the category with the most weaknesses. The method for calculating the partial indexes is then analogical with the calculation of  $I_{CP}$ . On the base of the gained partial indexes, the category which needs to be paid attention to can be seen better (Table 4).

During elaborating the methodology of the service provider's potential evaluation, the following problems were revealed. These potential problems can influence the evaluation of the researched subject:

- Topicality
- Quantification
- Objectivity
- Formulation and interpretation

The problem of topicality arises from the base of congress tourism as a very dynamic branch. Especially in the field of the audio-visual technology, it is obvious that the tools significant nowadays can lose their positions in future or they can even be replaced by new technologies that are not known at the present time. Considering this fact, it is essential to redraw regularly (optimal interval is 2 years) the particular attributes and their weights to reflect the current situation in the congress tourism market.

During processing the particular features, the problem of quantification arose. For some items of the questionnaire, it was inevitable to exactly specify the limit from which this feature can be considered as contributing for the provider's potential. Unfortunately, in many cases we have not found any professional

Table 3. The levels of the congressional service provider's potential

The reached index $I_{CP}$ (%)	Provider's potential
81–100	excellent
61–80	very good
41–60	good
21–40	poor
0–20	insufficient

Table 4. The list of the total scores in the partial categories

Category	Total score
The hall and building equipment	27.5
The neighbourhood of the organization	19.8
Technical equipment	52.6
www pages	7.0
Additional services	8.6
Organization employees	8.8
Partnership	6.3
Customers	18.3
Marketing	8.6
Organization	8.6

Source: own research

literature or a long-term research so we had to draw upon some congress experts experience and opinions. For the further methodology development, it would be necessary to initiate some long-term researches and so to be more exact in the features quantification.

The problem of objectivity emerged during researching the attributes' significance. In some areas, the reviewer could not leave his subjective opinions and consider the researched features only in the context of a small part of the congress market. It is also necessary to know that scanning of all 257 characteristics takes a longer time period during which it is very difficult to pay full attention. The method of the question rotation could be a solution to this problem, when each respondent gets the features for scanning in a different order.

The problem of formulation and interpretation appeared during the pre-test of the evaluating methodology for the congressional service provider's potential. In the phase of filling in the questionnaire, there were different interpretations of some questions. In some cases, it is enough to produce a more

understandable formulation and in other cases, it is necessary to prepare a detailed manual that will help to specify the problematic factors more elaborately to reduce the possibility of different interpretation.

## CONCLUSION

This paper concerns the methodology formation for evaluating the service provider's potential in the area of congressional services. Primarily, this methodology is devoted to congressional service providers for their better detailed internal analysis and for a more complex view to the services provided by them. It enables them to reveal their competitive advantages or disadvantages easily. In the case of productivity decrease, it helps them find their weaknesses and consequently to eliminate them.

Secondarily, this created methodology is intended for all subjects operating in the field of congress tourism. Organizations and institutions that are looking for some congressional service providers at the level of congress facilities can use it to consider and compare the more competitive offers and so for the optimal choice corresponding to their conditions and needs.

Professional congress organizers and agencies can compare congress providers in their operating area more effectively and to classify congress destinations according to particular features efficiently. Consecutively, it will be easier to decide which congress provider is more suitable for the particular events. Therefore, they can offer more professional services to contribute increasingly to their customers benefit.

Last but not least, the methodology can be used at the level of state or local authorities and destination agencies interested in congress tourism, its support and fulfilling the local developing strategies of the place as congress destination.

The Czech Republic is touristically one of the safest countries in the world. Prague has excellent references for instance from the non-problematic performance during the International Monetary Fund or the NATO convention. One of the main assumptions for the development of this perspective tourism product is also its geographical location – easy accessibility in the centre of Europe, large potential (in its richness in cultural, historical and technical sights, in folklore, sports and nature beauties), the developed infrastructure which can be offered not only in Prague but also in many other places in the Czech Republic. In spite of these facts, the position of the Czech Republic on the world congress market does not still reflect

the facts and conditions mentioned above, and in the last years, the position of Prague and the Czech Republic in popularity on congress market has even been falling down.

In spite of all the references from the IMF or the NATO congress, the Czech Republic and the city of Prague do not belong among the most frequented congress destination in the world. The state agency – Czech Tourism would like to change this situation and the aim is to get our country among the top ten favourite congress places in the world. First of all, it is very important for the regions and their local authorities, destination management, congress places and people in services to realize the large economic significance and profit coming from the congress tourism. The participants of congresses and conferences usually spend up to three times more money than the common tourists.

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