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THE ROLE OF MICE INDUSTRY IN TOURISM DEVELOPMENT

Igor Trišić¹; Venera Arsenov-Bojović²;

Abstract

Business travel is an important sector of tourism which includes tourists who attend congresses, conferences, exhibitions, incentive travels, events and business corporate travels.

Many countries have realized the significance of this part of tourism development and thus influence on its organization, promotion and realization. Business travel includes meetings, incentive travels, congresses, conventions and exhibitions. Because of that, both domestic and foreign literature more increasingly use the acronym MICE for these types of travel. This part of the tourist market is an extremely important part of business, especially when it comes to the extension of the tourist season, which increases the attractiveness of the tourist destination and the economic effects achieved by the development of this part of the tourist market.

Key Words: *tourism, meetings, congresses, conventions*

JEL classification: *M31, L83, Z18*

Introduction

Congresses are in continuous expansion in the world. They are getting more sophisticated and they require more arranged spaces with a more complex organization. According to the International Congress & Convention Association (ICCA), 57 per cent of the congress meetings are held in Europe, 21 per cent in the region of Asia, Australasia/Pacific, while 11 per cent are held in the USA and Canada. Average length of the congress is 3.9 days, average consumption per delegate is about 2,000 dollars, while average registration fee is 526 dollars. Nowadays delegates

¹ Igor Trišić, PhD student, Faculty of Hotel Management and Tourism Vrnjačka Banja, University of Kragujevac; Vojvođanska 5A street, 36210 Vrnjačka Banja; Serbia, E-mail: trisici@hotmail.com, Phone +38164 143 13 75;

² Venera Arsenov-Bojović, MSc, English teacher, Secondary vocational school "Vasa Pelagic", Cara Lazara 261, 26220 Kovin, Serbia, E-mail: arsenov.bojovic@gmail.com Phone +38163 304 541

stay shorter than a few years ago, when the average retention was measured with more than four days, but the total number of participants in congress meetings is increasing. Economic effects of the business tourism are measurable, both financially and naturally – expressed by number and quantity. For example, international conference with participation of 1,000 delegates can generate 1 million Euros of income. It is recorded that, during 2016, Belgrade hosted around 500 national and international meetings with 35,000 delegates and the income from the overall organization was about 30 million Euros.

The aim of this paper is to analyze the present state of the business tourism market in the world and in the Republic of Serbia from the aspects of manifestations, and business meetings, as well as their promotions, with the aim of making conclusions about the positive influence which business tourism can have on the whole economic development. World Tourism Organization (UNWTO) in the official definition of tourism suggests that people who travel for business or professional reasons are also considered as tourists. As well as in other tourism forms, the organization of the very event, i.e. a business meeting, is important in business tourism, too. The correct guidelines include a good scenario, activity, planned material and technical means, transport, accommodation and nutrition of participants, as well as organization of free time, which enables the inclusion of other complementary tourist's motives with the goal of better marketing of the tourist destination. Precisely, because of the mentioned positive effects of this type of touristic movements, the authors of this paper observe the size and significance of this form of touristic movement as well as its impact on the current and future development of the tourist destinations. The task of this paper is to present a selection of collected data by analyzing the existing written sources, which present current state of MICE industry, as well as to compare data, in order to better understand the situation that can greatly improve ideas for future investments in business tourist infrastructure.

The importance of MICE industry for the development of tourism

MICE stands for Meetings, Incentives, Conferences or Congresses or Conventions and Exhibitions. This form of traveling is closely related to the term of business travel. Business tourism includes all aspects of the experience of travelers staying at least one night out of the places of permanent residence (Swarbrooke & Horner, 2001). MICE as the

business travel can have the characteristics of every other form of a travel. World Tourism Organization (UNWTO) in the official definition of tourism suggests that people who travel for business or professional reasons are also considered as tourists (Štetić, 2011).

The definition of International Congress & Convention Association (ICCA) is relatively more complete and, according to it, business tourism is “a series of activities aimed at providing space and services to millions of delegates on the meetings, congresses, exhibitions, business events and incentive travels”. Bearing all this in mind, one comprehensive and complete definition of business tourism can be given in which there are business reasons and participation in meetings, congresses, conventions, conference exhibitions and incentive travels, where business travelers use whole set of tourist`s services and basic tourism products within tourist destinations (Štetić, Cvijanović & Šimičević, 2014). Many countries have realized the importance of developing this part of tourism and they take influence on its organization, promotion and presentation. Historical roots of meetings are in the distant past and they could be traced through the history of a mankind. Those were sports or religious meetings under the auspices of church and so on. Among the famous is the first Nikei Council convened by Emperor Constantine the Great in 325 BC with 318 participants. When it comes to the development of international meetings many people consider it was the first Assembly of doctors which was held in Rome on 10th March in 1681. The second was the Congress of Vienna held from September 1814 to June 1815. Today, many meetings are taking place across the globe. By 2010, the world had 1,104 halls with over 5,000 square meters indoors (Štetić, 2011). According to the data of ICCA, which makes analyzes of business travel and congresses in the world, countries like Hungary, Czech, Slovenia, Croatia and Serbia have recorded significant growth and oscillations. In 2007, Serbia took 69th place on the ranking list according to the number of held international events by various associations. Already in 2010, Serbia took 43rd position, in 2013 it was 42nd, but in 2015 Serbia was on 47th place in the list. Belgrade was ranked as 168th in 2007, but it climbed to 44th place in 2013, while in 2015, it was on 52nd place and shared it with Riga (www.iccaworld.org). Business tourism caters for the high quality, high cost and, therefore, high yield end of the market. The greater spending power of business tourists means increased economic benefits for the host destination and a greater return on its investment in infrastructure and marketing. Besides the indirect and multiplicative effects of the foreign tourism, direct influence on human resources through their engagement

and utilization is increased (Trišić & Gajić, 2013). Conferences and business travel take place throughout the year. Spring and autumn are the peak seasons of the year for conferences. The all-year-round nature of conference and business tourism also leads to the creation and retention of permanent jobs, as opposed to the seasonal, temporary jobs which is a frequent characteristic of the leisure tourism sector. Traveling for business reasons can rise touristic activities of the destinations in the four ways: 1. extension of staying for business tourists, this usually means showing delegates the most attractive, scenic parts of the destination in the hope that, by creating a memorable experience for them, many will stay longer (extenders); 2. business tourists often bring their partners and families for a holiday or short break who are also part of the touristic activities on the destination (guests); 3. business tourists take part in touristic activities which are the integral part of whole events and are the part of making a network of social programs; a business visitor who leaves with a good impression of the conference, trade fair or incentive destination becomes an unpaid ambassador for that place (Davidson & Cope, 2003). Economic effects of the business tourism are measurable, either financially and naturally – expressed by number and quantity. For example, international conference with participation of 1,000 delegates can generate 1 million Euros of income. It is recorded that, during 2016, Belgrade hosted around 500 national and international meetings with 35,000 delegates and the income from the overall organization was about 30 million Euros. The same situation was measured in the last decade. This means that the congress tourism records significant incomes (Mihajlović & Stošić-Mihajlović, 2017).

Meetings

A meeting is an event where the primary activity of the attendees is participation in educational sessions and meetings or discussions, socializing, or attending other organized events. There is no exhibit (exhibition) component to this event. There are usually only 50 participants. Sometimes they last up to 45 days, so they require a hotel, a stay and a conference center. There are two types of business meetings: *meetings of associations*, where the information is discussed among the participants of the same or different professions and *meetings of corporations and conferences*, typically of 1 or 2 days of duration with a formal program that has been promoted in advance. *Corporate event* is considered as luxury entertainment which companies give to their most important customers in order to create a good image in the society or in

the business world (Štetić, 2011). It is hosted entertainment at major sporting events, concerts, and other high profile functions, or participation in sporting or outdoor pursuits-type activities. Though not common, some professional and trade associations may organize golf days or other sporting events for their members.

Table 1: *Differences between corporations and associations*

Corporation	Association
Profitable organization	Non-profitable organization
Industry and service sector	Industry, service sector and humanitarian organizations
Relatively short period of time for planning events (few weeks or months)	Longer period of time for planning the main conferences (few years)
A wider range of events and gatherings which can be organized	A narrow range of events and gatherings which can be organized
Number of participants usually less than 200	Few hundreds of participants but for bigger associations up to few thousands of participants
Evens are mostly organized at hotels, congress centers and unusual places	Evens are mostly organized at hotels, congress centers and universities
Corporation bears travel expenses and participation fee	The participant pays travel expenses and participation fee
Meetings are organized throughout the year	Main meetings are organized in spring and autumn, sometimes in summer
Typically one- or two-day meetings	Main conferences mostly three to four days long
Accommodation of participants at hotels (three and more stars)	Different accommodation objects are used depending on the type of association and solvency of the participants
Meetings are rarely attended by attendees' partner	Meetings are often attended by attendees' partner

Source: Rogers, T., (2008): *Conferences and Conventions: A Global Industry*, Butterworth-Heinemann, Oxford.

Incentives travel

The Society of Incentive Travel Executives (SITE), defines incentive travel as a global management tool that uses an exceptional travel experience to motivate and/or recognize participants for increased levels of performance in support of organizational goals (Swarbrooke & Horner, 2001). Incentive travel, for example, may consist entirely of leisure, sport and entertainment. But, even for conference delegates, visitors to trade fairs and individual business travelers, excursions to local restaurants and places of entertainment, or sightseeing tours, can be a way of relaxing at the end of the working day. Socializing in this way can be an important part of the business tourism experience for groups, as it gives delegates or colleagues the opportunity to unwind together and get to know each other on a less formal basis. Most incentive travels are won by individuals (or teams) who have sold, within a given period, the most units of whatever it is their companies make, whether these are tractors, insurance policies, pharmaceutical products or any other type of manufactured goods or services. For this reason, most of those who travel on incentive trips are members of their companies sales forces. Incentive travel is more effective than money at encouraging non-winners to try harder to win the next competition run by their company. The incentive travel winners absence from work and their subsequent return, full of stories of what they have seen and done on their travels make this a highly visible prize, as opposed to money, which is far less likely to be discussed with colleagues. Non-winners can be motivated to work harder to win next time when they hear their colleagues recount their incentive travels full of new experiences (Holloway, Humphreys & Davidson, 2009). The Meetings Market Report 2005, carried out by Meetings & Conventions magazine in the USA, indicated that the corporate sector spent c.US\$32 billion on over one million meetings attended by almost 80 million participants. 28 per cent of the respondents to the survey said they organized incentives, an increase of almost 8 per cent over figures from 2003. Incentive travel programs increasingly have an educational element for the participants. This can involve visits to factories and businesses in the same industry sector as that of the award winners, team-building programs and a conference-type session with an award presentation ceremony and announcements of corporate plans, designed to encourage the incentive winners to reach future performance targets. Other trends in incentive travel programs noted by Carolyn Dow, Director SITE European office, in a presentation to the UK Business Tourism Partnership Research Group (June 2001) were:

- smaller groups;
- shorter lead times;
- shorter qualification periods;
- more ‘exotic’ locations;
- active not passive programs, e.g. award winners engaging in outdoor pursuits activities rather than lounging by the hotel pool;
- many incentives now include a meeting – this is a way of delegates avoiding the need to be taxed on the benefit of the incentive trip.

However, it also makes good business sense to build a more formal work-related element into the incentive program (Rogers, 2008).

Congresses, conferences and conventions

All three types of experts meetings or travels are determined by the motive and exchange of business information. There are usually meetings of few different professions of people. Convention is adopted term for meeting in the USA, while, in Europe, the term conference is in use.

Conference is a participatory meeting designed for discussion, fact finding, problem solving and consultation. No tradition, continuity or periodicity is required to convene a conference. Although not generally limited in time, conferences are usually of short duration with specific objectives. Conferences are generally on a smaller scale than congresses (Pivac et al., 2016). An event used by any organization to meet and exchange views, convey a message, open a debate or give publicity to some area of opinion on a specific issue and it lasts up to 3 days (Štetić, 2011). The conferences of the United Nations have the greatest publicity and importance. One of them is a Conference of the UN about Sustainable Development, also known as Summit in Rio or The World Summit³. It had the international character on the highest level. It was held in Rio de Janeiro from 3rd June to 14th June in 1992. There were 118 Presidents or Prime Ministers from 178 countries. Documents which have been brought still have the global usage and represent the highest law that regulates some activities of different economies, countries and tourism has been also concerned. They are:

- “*Rio Declaration*“ about Environment and prevention of pollution;
- “*Agenda 21*“ which refers to a sustainable tourism in the world;

³ Summit is a meeting of heads of state or government on the highest level. It is organized with the aim of resolving certain international issues.

- “*Conventions about climate changes*“ and other acts.
- Launch events for our contemporary conference were:
- The Conference of the UN about climate and fatal climate changes, held on 12th December in 2015 in Paris where the Paris Agreement on the Protection of the Planet Earth was reached;
- The Conference of the United States General Assembly, held on 22nd April, 2016 in New York in the cast of signing the Paris Agreement. After many years of environmental analysis in the world, Leonardo di Caprio, a famous actor and fighter for environmental protection had direct participation in the plenum, which gave a huge publicity to that conference in the world (www.un.org/climatechange/).

Convention is an event where the primary activity of the attendees is to attend educational sessions, participate in meetings or discussions, socialize, or attend other organized events. There is a secondary exhibit (exhibition) component. They can gather up to 4,000 participants (Pivac et al., 2016). Certain legal acts are usually adopted on these events or “conventions“, which have wide application and find its respect. They are: International Convention about Human Rights, International Convention for Environmental Protection, International Convention about Tourism and many other.

Congress is the regular coming together of large groups of individuals, generally to discuss a particular subject. A congress often lasts several days and has several simultaneous sessions. The length of time between congresses is usually established in advance of the implementation stage, and can be either perennial or annual. Most international or world congresses are of the former type while national congresses are more frequently held annually. Everything above mentioned forms the definition for congressional tourism.

Congressional tourism is a set of phenomena and relationships, which arise from the prime focus of marketing activity by venues and destinations, because decisions about where the events take place are open to influence (Štetić, 2007). The organizers of the event may have great flexibility in deciding where it is to be held, and are able to use their own judgment or discretion over the location choice. These events can be commercial or non-commercial and they last up to one week, but usually about few days, with simultaneous sections and they are organized on annual or perennial level. They are all to do with bringing people together, face-to-face, to exchange ideas and information, to discuss and

in some cases negotiate, to build friendships and closer business relationships, to encourage better performance by individuals and organizations. Each representative would have been accompanied by a substantial delegation of support staff and partners, requiring accommodation, social programs, lavish corporate entertainment, ground handling, not to mention state-of-the-art conference facilities. National congresses are more common than international and world-wide congresses. Congress tourism represents an excellent opportunity for developing long-term business, because it has been shown in practice that many foreign professional associations and companies plan their symposiums and congresses several years ahead. Because of this, it happens that some hotels are booked even a year in advance, which represents a completely different business philosophy from ours, which is mainly prone to improvisation (Bešić & Bogetić). Congressional tourism is a unique phenomenon as it is defined by the consumer or the visitor. Visitors buy goods and services both tourism and non-tourism alike. From a measurement standpoint, the key is associated with their purchases to the total supply of these goods and services within a country. According to the World Tourism Organization (UNWTO) about 30 per cent of international touristic movements belong to congresses. The number of congresses, counseling, conferences and meetings increases in all countries from year to year (Dragičević et al., 2009). Congressional activity is an exclusive sort of tourism, so the requirements are higher than in conventional tourism, because all the expenses are covered by the institutions. First, most business tourists take more trips in a year than the average leisure tourist does, thus making more demands on transport infrastructure and destination services. Congress tourists tend to be very demanding and want high quality facilities, even in towns and cities in developing countries. While both of these are difficult to reconcile with the concept of sustainable tourism, the positive side of congress tourism is the fact that they tend to be higher spending than leisure tourists.

The analysis of the current situation in the world points to the most important features of congress tourism.

- They take place throughout the year in the cities ensuring permanent employment and permanent income, except during the summer holidays, when City-break tourism has no function in urban environment;
- Revives touristic sector and all kinds of activities they support play an important role in enhancing the overall quality of life in a community. This, in turn, ensures that 'careers' rather than simply 'jobs' can be offered to new entrants, which affects the economy.

- Destination becomes independent in relation to the tourist season, summer or winter, so there is an added benefit when organizing a congress;
- The greater spending power of business tourists means increased economic benefits for the host destination and a greater return on its investment in infrastructure and marketing;
- From investing in destinations for business tourists (hotels, restaurants, transport and communication, cultural and natural parts). This usually means showing delegates the most attractive, scenic parts of the destination in the hope that, by creating a memorable experience for them, many will return;
- Those organizing a congress will always be very keen to make sure that it is as successful as possible. One of the ways in which this can be achieved is by giving delegates and participants a pleasant, positive experience of the destination in which the event is being held.

Congresses beside educational and social aspects include and combine with numerous natural and cultural contents before, during or after the congress. Realization of all these business tourism forms, in particular, can involve a substantial leisure element. Incentive travel, for example, as a reward, may consist entirely of leisure, sport and entertainment. But, even for conference delegates, visitors to trade fairs and individual business travelers, excursions to local restaurants and places of entertainment, or sightseeing tours, can be a way of relaxing at the end of the working day. Socializing in this way can be an important part of the business tourism experience for groups, as it gives delegates or colleagues the opportunity to unwind together and get to know each other on a less formal basis. Congresses are important from the aspect of promoting national and tourist values of the host country, peace in the world and etc. (Štetić, 2007). Beside positive, congress and business tourism have fewer negative impacts on the environment than mass leisure tourism. It is concerned with smaller numbers, but much higher spends. It is characterized by the use of mass transfers and public transport within a destination that can cause traffic jam, increase crowding on parking places, restaurants, shops and other public places. These are usually present within the mountain and coastal destinations (Šušić & Mojić, 2014). With the proper planning, organization of a congress is possible to minimize any disruption and inconvenience to the local resident population. It is very much harder to manage, in the same way, the impact of individual leisure travelers on a destination. Congresses are considered as a basic form of city tourism though lately significant results are

achieved in the organization of all business meetings in the mountain and coastal destinations.

Organization and realization of a congress

According to the estimates of some authors over 1% of total touristic movements belongs to participants of congresses. According to the elements of which congress offer is compiled, we differ (Štetić, 2007) congress offer (in a wider sense) which covers all services of economic and non-economic activities intended to meet needs of congress tourists. Those organizing a congress will always be very keen to make sure that it is as successful as possible. One of the ways in which this can be achieved is by including touristic attraction, natural beauties, climate, ethno-social elements (folklore, culture, food, original traditional music, traditional handicrafts, customs etc.), cultural heritage and other values. The proper example of organizing a congress is a place with adequate facilities offering a delegate a pleasant, positive experience of the destination in which the event is being held. This usually means showing delegates the most attractive, scenic parts of the destination with additional activities. There are basic elements for presenting a congress offer: congress rooms: congress center, congress building and a congress hall within a hotel or a fair space; technical devices or equipment; accommodation where the congress is held, in a city or nearby; traffic facilities - air, rail and road traffic. As for costal congress towns (Bar, Athens, Bari, Rotterdam), passenger shipping might be important as well as congress bureau with trained and qualified staff for giving information and organizing congresses. Today, the congresses have been organized by various of institutions. Some of them are tourist organizations which are composed of departments for organization of congresses, Congress Bureau (in Serbia Congress Bureau of Belgrade and Congress Bureau of Serbia) and professional congress organization within hotels and congress centers. Such an organization operates within the Sava Congress Center in Belgrade. In one conducted survey among 124 tourists of different age and professions, 58.06% of examiners, information about events search in within tourist organizations and agencies, which shows that national organizations are significant in promotion and organizing all events in Republic of Serbia (Trišić, 2017). Quality congress with achieved results of work is well planned a lot of time in advance. That period is from one to several years. Top international congress countries and cities in 2015 and in 2016 are shown in:

Table 2: *Countries with the highest number of congresses in 2015 and 2016 in the world*

rank	country		city	
1	USA	930	Singapore	736
2	South Korea	891	Brussels	665
3	Belgium	737	Seoul	494
4	Singapore	736	Paris	362
5	Japan	634	Vienna	308
6	France	590	Tokyo	249
7	Italy	480	Bangkok	242
8	German	472	Berlin	215
9	Spain	385	Barcelona	187
10	Austria	383	Geneva	172
2016				
rank	country		city	
1	South Korea	997	Brussels	906
2	Belgium	953	Singapore	888
3	Singapore	888	Seoul	526
4	USA	702	Paris	342
5	France / Japan	523	Vienna	304
6	Spain	423	Tokyo	225
7	Austria	404	Bangkok	211
8	German	390	Berlin	197
9	Netherlands	332	Barcelona	182
10	Thailand	279	Geneva	162

Source: *UIA (2016, 2017): International Meetings Statistics Report.*

The given data impose the conclusion that the USA was the leading country in 2015, but in 2016 South Korea was on the top place. That could be connected with the high political meetings and current situations in certain regions where South Korea is the leader. In Belgian city of Brussels in 2016 there were 906 congress meetings. The reason for that is because Brussels is the seat of the Council of the European Union (Council of Ministers) and the seat of the European Commission. In 2016, it is followed by Singapore, Seoul, Paris and other cities. According to ICCA (International Congress and Convention Association), 57% of congress manifestations happen in Europe, 21% in the region of Asia, Pacific and Australia, while 11% are held in the USA and Canada. The average congress duration is 3.9 days, the average consumption per delegate is about US\$2,000, while the average registration fee is US\$526.

Nowadays, delegates stay shorter than the few years ago, when the average retention was measured more than four days. Today, the total number of participants in congress meetings have been increased (Šušić & Mojić, 2014).

Fair events

Fairs represent special promotional events where the supply and demand are met, at the right place, at the right time, in order to make possible exchange or in order to make a purchase contract (Cvijanović, 2016).

The purpose of the fairs is to encourage sales, promote new products, maintain the already-existing or make new contacts among experts and to enable the exchange of ideas and information among exhibitors, experts and visitors (Pivac et al., 2016). According to the same source, the fairs can be divided into three categories: consumer, commercial and private. The fairs carry their own labels in the way of trading: B2B (Business-to-Business) means that companies do business activities (contracting and trade) among themselves; B2C (Business-to-Consumer) implies that companies sell goods to ultimate consumers through sale softwares or personally. For example fairs of tourism where tourists can become owners of the arrangements; B2C trade can be realized with the software for selling goods or services. The example of this is on-line trading, e.g. Amazon; C2B (Consumer-to-Business) is the way of e-trade which implies that buyer makes a project and company makes a bid. The buyer chooses a company; C2C (Consumer-to-Consumer) is the way of trade where buyer sells to buyer. It is done through advertisements, forums or selling sites, where individuals buy and sell their stuff. The most famous is “eBay“, i.e. “Kupujem-Prodajem“, “Limundo“ and “Kupindo“ in Serbia; B2G (Business-to-Government) is the way of e-trade between the company and the government. The biggest tourism fair is held in Berlin which dates from 1966 under the name of Internationale Tourismus Börse (ITB). It covers all aspects of traveling: tourism of certain countries, tour operators, booking systems, IT and communication systems, air traffic, hotels and hospitality industries and other contents. It is designed as B2B. The event brings together prominent people from the tourism industry to network, negotiate and do business. ITB hosted 10,000 exhibitors and 196,000 visitors of which 120,000 are trade. It covers the showground of 150,000 square metres (Jovanović, 2015). It takes place at the beginning of March. It is also important to mention International tourism fair in Milano “BIT Milano“– Borsa Internazionale del Turismo. It started in 1980. It is held every year in April. In the 2017 there were over 2,000

exhibitors and 60,000 visitors (<http://bit.fieramilano.it/?lang=en>, 2017). New strategy of BIT fair is the division of the market into segments according to forms of tourism and not in geographical forms. There are segments of tourist products which combine cultural tourism, wine gastronomic tourism, luxury tourism, MICE tourism and other forms of special interests (Jovanović, 2015). Also well known tourist fairs in Europe are the ones which are held in London (WTM – World Travel Market) and in Moscow (МИТ – Международная Туристическая Выставка) (Cvijanović, 2016). Among the well known fairs in the Republic of Serbia from the business aspects are: International Construction Fair in Belgrade, International Agriculture Fair in Novi Sad, International Book Fair, Wine Fair “Beowine“, Catering Equipment Fair “HORECA“ as a part of tourist fair, International Nautics, Hunting and Fishing Fair, International Car Show, International Motorcycles Fair, International Horticulture Fair “Beoplant fair“ and many others. During these events there are significant consumption of exhibitors and visitors. It is important to note that nowadays fairs are organized as a group visit by elementary schools, secondary schools and faculties. Therefore, fairs intensively have complementary character of touristic travels.

Exhibitions

Exhibitions are business tourism segments which are the prime focuses of marketing activity by venues and destinations, because decisions about where the events take place are open to influence. They organize public presentations and display a selection of trade items. In practice, exhibitions usually occur within museums, galleries and exhibition halls, and World fairs. They include many things such as art in major museums and smaller galleries, interpretive exhibitions, natural history museums and history museums, and also varieties such as more commercially focused exhibitions and trade fairs. Commercial exhibitions, generally called trade fairs, trade shows or expos, are usually organized so that organizations in a specific interest or industry can showcase and demonstrate their latest products, service, study activities of rivals and examine recent trends and opportunities. Some trade fairs are open to the public, while others can only be attended by company representatives (members of the trade) and members of the press. They gather a large number of visitors and they are also part of business tourism. The important thing is the multiplier effect that is achieved by holding exhibitions. These effects imply on the realization of total wealth in destination, region or the whole country. The multiplier of direct and

indirect consumption is 7. This means that each dollar paid to the organizer for the ticket or exhibition fee is multiplied from 7 to 10 times. The information is given about the funds that are spent in the region at the time of the exhibition (Štetić, 2011). Professional exhibitions are used for many business strategies such as: product launches, attendance as an exhibitor at trade and consumer shows organized by specialist exhibition organizers or trade associations. Also attendance as a corporate visitor ('buyer') at the trade shows. Trade shows are temporary events in different recurring intervals where new products and services are presented. The number of trade fairs is steadily increasing worldwide. Exhibition may include the organization of an exhibition to run alongside its own conference; also participation in other industry trade shows as an exhibitor. Trade associations are also primary exhibition organizers. The first international exhibition EXPO was held in London 1851 by Prince Albert, the husband of Queen Victoria. There were 14,000 exhibitors and more than 6 million of visitors and it is considered a pioneer of great world exhibition. According to the data of UFI (The Global Association of the Exhibition Industry) 31,000 of exhibitions are realized annually in the world on 124 million of square meters indoors where exhibited 4.4 million of companies with 260 million of visitors. According to the same source, in 2010 there were achieved US\$53.17 billion, of which in Europe were US\$18.18 billion (UFI) Exhibitions and trade shows are generally targeted at an industry or particular audience. Exhibiting at a trade show can be a great way to advertise to a target market and create brand awareness. This provides with a perfect platform to promote the product or service to visitors who may have little or no knowledge of the products and services. Depending on the type of business, product and market testing can be carried out at trade shows and exhibitions to gain industry or general opinion about the offering. Being involved in a trade show or exhibition it can provide opportunities to branch out to business-to-business trading and create a customer database from the visitors to the stand. Exhibitions are the unique events and they can last up to few months, rarely a month. They differ from fairs and in the way of doing business: at fairs goods are bought and sold, while during the exhibition most often no sale is made (Štetić, 2011).

Conclusion

This paper presents various data which refer to business tourism in some regions and economic sectors of different countries. Business travel is now a truly global industry, with over two hundred countries vying for a

share of the lucrative international conferences and meetings which brings additional benefits on the all economy levels. It revives the destination through new jobs and there is a multiplied effect of money capital as well as the fact that the realization of the business meetings extends the tourist season. Also the positive side of business tourism is the fact that business travelers tend to be higher spending than leisure tourists, because all their costs are paid in advance. Travelling in order to attend a meeting of some kind is one of the most widespread forms of business tourism. Meetings take many forms and vary enormously in size and purpose, but the meetings that stimulate business tourism are primarily those organized with an objective linked to the attendees' professional activity. They spend more money than leisure tourists. According to the World Tourism Organization (UNWTO) about 30 per cent of international touristic movements belong to congresses. The number of congresses, conferences and meetings are increased from year to year. The reason is that with the business program activities this trip includes: transport of participants, transfer from airport to hotel or resort, accommodation and food, additional services in hotels, various program activities, excursions, events, animations etc. In total, it forms a special tourist product intended for users in business tourism. Year after year, the number of meetings, incentives travel, congresses and conferences growing in all countries. Significant categories of business travel can be classified as: social meetings, various meetings on military level, educational meetings and religious meetings. Many world cities are becoming recognizable by business tourism. There are many conference centers in these cities. Their city centre locations, sheer vastness and often iconic designs mean that these buildings are certainly the most visible indication that any city is active in hosting large meetings. When these conference dollar bills are spent by visitors to the city, this means that 'new' spending is coming into local businesses such as shops, restaurants, entertainment centers and taxis. Furthermore, when a proportion of the delegates originate from abroad, their spending represents a boost in foreign exchange earnings for the destination. Many conference centers have become important symbols of the cities in which they are located. It is Hong Kong, New York, London, Paris, Brussels etc. Long before the first conference centers were built, meetings were regularly taking place in rooms designed for the purpose in inns and hotels and, to this day, they remain the preferred type of venue for most of the world's meetings. Whether hotels are situated in city centers, suburban locations, airports or rural areas, most depend to a significant extent on the income they earn from renting out their meetings rooms and the conference-related spending on catering and (for

residential events) accommodation. Many hotel chains have branded their meetings facilities to ensure that customers using them are assured consistent standards of facilities and quality, wherever in the world a particular hotel may be located. It is already evident from the above that the planning of meetings today can be a highly complex task. The destination and the venue must be chosen, the attendees' travel and, if necessary, visa requirements must be taken care of and their accommodation arranged, plus topics and speakers for the event must be selected. Some conferences, such as those of associations, must be marketed to prospective attendees and registration payments processed. At the actual event, someone must organize appropriate security measures, particularly if VIP attendees or speakers are involved, and someone must liaise with and manage the providers of audio-visual and catering services, all analyzed in this paper, can be the subject of future research.

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