

# IMPACT OF TECHNICAL DETERMINANTS ON SUCCESS OF INTERNATIONAL CONVENTIONS

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## ABSTRACT

*The present study expects to identify technical determinants affecting the success of international conventions and relative importance of those in convention industry of Sri Lanka. Findings of the research would be able to apply in managing the events of convention industry. The conceptual model of the study was formulated based on the literature review comprises from three independent variables. This study is confined to the internal technical factors of the convention event projects and data was obtained from 84 professional convention organizers using quantitative online survey questionnaire. Impacts of independent variables on the dependent variable were tested and measured using statistical methods of regression analysis and one-way ANOVA analysis with SPSS 16.0 as the data analysis software. All three independent variables of marketing & promotion, financial management and techniques of project management were recognized as important technical determinants for the success of conventions in Sri Lanka. Marketing & promotion was identified as the most important technical determinant for success of the events which is followed by financial management and techniques of project management respectively.*

**KEY WORDS:** *Conference Studies, Event Management, Event Tourism, Determinants, MICE Tourism*

## 1. INTRODUCTION

Conventions can be considered as a vital type of events in event industry throughout the world with growing demand (World Tourism Organization [UNWTO], 2006; Sikošek, 2012). According to International Congress and Convention Association [ICCA] (2018), number of meetings conducting around the world doubles in every decade and it is leading to a more mature and solid development. The meeting industry made a considerable financial contribution for national economies during the last decades (Convention Industry Council [CIC], 2011).

The importance of conventions and MICE (Meetings, Incentives, Conventions and Exhibitions) tourism sector in a more boarder sense for development of the country through foreign exchange earnings and other positive advantages has been recognized by Sri Lanka. Tourism Act No. 38 of 2005 (Tourism Act, 2005) provided the legal facilitation to form Sri Lanka Convention Bureau as a government agency for promotion of the country as a MICE destination. Last two national level tourism development plans implemented within the

past decade have focused attention on this subset of tourism (Ministry of Economic Development, 2011; Ministry of Tourism Development and Christian Religious Affairs, 2017).

However, the tourism statics within last two decades indicates unhealthy development of convention tourism in the country, in contrast to most of the other sub sets of tourism. Percentage of tourist arrivals for conventions and meetings out of the total arrivals shows a decrease after 2006 (Sri Lanka Tourism Development Authority [SLTDA], 2018). 3% (2006) is the largest annual percentage recorded within the 12 years from 2006 – 2017, which can't be accepted as a significant contribution. The figure was decreased down to 0.2 % in 2015 (SLTDA, 2016). However, overall international tourist arrivals record a considerable growth during the above period, specially, after end of the war in 2009. In 2017, 1.28 % of tourists out of the total arrivals were recognized as MICE tourists with 27,455 arrivals (SLTDA, 2018). There have been a growth of convention facilities for small and medium size conventions within this period which may have been underutilized. In addition to that, unsuccessful implementations of some convention projects have generated negative consequences as well.

In this context, lack of consideration on determinants for the success of conventions can be identified as an issue affected to the above phenomenon. Therefore, it is important to address this by an applied research project. The present paper aims to cover this industry and academic requirement partly focusing on technical determinants for success of international conventions.

## 2. OBJECTIVES

This study carries two main objectives which are given below.

- To identify technical determinants for success of international conventions in Sri Lanka.
- To understand relative importance of those technical determinants in organizing successful conventions.
- To make suggestions in application of those determinants for managing the conventions.

## 3. METHODOLOGY

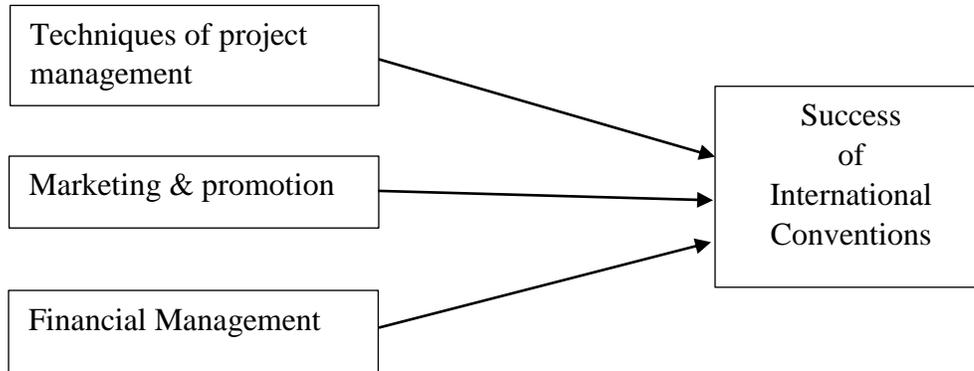
The present study applied quantitative research method with deductive approach. The independent variables of the study which form the conceptual framework were obtained from previous empirical research works from the literature review. Only the internal technological determinants affecting success of events appeared in results of previous research works were considered.

A few research studies have been covered technical determinants for success of events with main contribution from studies on sport events. Dancsecz has conducted a research on success factors and criteria for international sport events based on international sport events conducted in Hungary, Czech Republic, Slovakia, Poland, Slovenia, Germany, Austria and Switzerland (Dancsecz, 2008). According to the study, project objectives and contract strategy were recognized as two technical determinants for the success of the events which have been categorized under task orientation by the researcher. Another study on success factors for international sport event was conducted based on data gathered from five event management companies in Austria and Sweden (Rofner, 2009). Five out of the six success factors identified by the study can be considered as technical factors which comprise from clear objective of the event, clear concept of the event, feasibility of the event, event evaluation and management skills.

Abouhafs & Bellihi (2013) have studied wedding projects in Marrakech, Morocco with the intention of recognizing success factors for the event projects. The results of the study have revealed total of nine key success factors including technical factors of innovation & creativity and good organization. A study on key success factors for the Robertson Wine Festival in South Africa has identified seven key success factors including technical factors of quality and good management, effective marketing, route development and accessibility (Marais & Saayman, 2011). Cserhádi & Polák-Weldon (2015) have pointed out project conception (clear and achievable goals), planning, structure, control, risk management as some of the technical success factors for events. In his study of critical success factors for MICE events in Malaysia, Ismail (2014) has recognized five technical determinants for the success of the events including objectives, location of venue, financial resources, marketing & promotion and event sponsorship.

Most of the individual technical determinants for the success of events in previous studies can be identified as techniques of project management since, all events are projects and event management has taken its techniques from project management. In addition to that, marketing & promotion and financial management appear as other two important technical determinants for the events in the literature review. The conceptual frame work of the present study is given below.

Figure 1: Conceptual model of the study



Online survey questionnaire comprising from 22 likert scale questions with 15 questions for the independent variables and 7 questions for success of conventions was used to obtain data from respondents.

#### 4. SAMPLING DESIGN

Professional convention organizers in Sri Lanka were taken as the population of the present study. Sampling frame of this study comprised from all 12 member companies under the category of PCO (Professional Conference Organizer) of Sri Lanka Association of Professional Conference, Exhibition and Event Organizers (SLAPCEO), who are in the business now. Respondents were professional convention organizers working for the companies as employees. Census sampling was applied and finally 84 duly filled questionnaires were received in February & March in 2020.

#### 5. STATISTICAL DESIGN

SPSS (Statistical Package for the Social Sciences) Version 16.0 (IBM: Armonk, NY, USA) was utilized for the data analysis of the research. The analysis comprised from seven statistical tests following the sequence from examining suitability of data to identifying relationships and impacts between independent and dependent variables. Reliability and validity of the research model were statistically tested as well.

Normality test was applied to examine distribution of data while level of dispersion of data was checked by descriptive statistics test. Validity of the groups of questions of the questionnaire which is the scale of the present study, was evaluated using reliability test. Sample adequacy and suitability of the data for detection of the research model were tested by Kaiser-Meyer-Olkin (KMO) test and Bartlett's test for sphericity which were performed under the factor analysis. Pearson correlation test examined the validity of all questions of the questionnaire for the research work. Both regression analysis and one-way ANOVA test were applied as main analytical methods of this study in order to test relationships impact between independent variables and the dependent variable.

#### 6. GEOGRAPHICAL AREA

All professional convention organizing companies in the sample frame are located in Colombo, the commercial capital of Sri Lanka and its suburbs. Majority of the PCOs of the country are also situated in the area. This area can be pointed out as the geographical area of the study.

#### 7. RESULTS

Normality tests confirmed that the data is normally distributed while acceptable level of dispersion of data was revealed from descriptive statistics tests making data of this study qualified for further analyses. It was able to establish the validity of the groups of questions of the questionnaire which is the scale of the present study, using results of the reliability tests. Sample adequacy and suitability of the data for detection of the research model were ensured by Kaiser-Meyer-Olkin (KMO) tests and Bartlett's test for sphericity which were

performed under the factor analysis. Results of the Pearson correlation tests indicated that all questions of the questionnaire are valid for the research work. Both regression analysis and one-way ANOVA test; the main statistical methods of the study confirmed relationships between independent variables and dependent variable.

According to the regression table (Table No. 1) of techniques of project management variable, the beta value of the standardized coefficients is .253 demonstrating a positive effect of the independent variable on the dependent variable. The significance value reads as .020 which indicates 98% confidence.

**Table No. 1: Regression table of techniques of project management variable**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	21.080	3.032		6.953	.000
TTM	.338	.143	.253	2.365	.020

The significance value of the ANOVA analysis of the above independent variable reported as .020. The figure is less than .05. Therefore, it is clear that there is a significant impact of the independent variable of techniques of project management on the dependent variable of success of international conventions.

The results of the regression analysis between the independent variable of financial management and dependent variable of success of international conferences are indicated in the Table No. 2. The beta value of the standardized coefficients in the table is .403 which indicates an effect of financial management variable on the dependent variable of the study. The significance value of this case is .000 which depicts a high significance leading to high degree of confidence as well.

**Table No. 2: Regression table of financial management variable**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	21.245	1.778		11.949	.000
FM	.344	.086	.403	3.984	.000

The significance figure of the ANOVA analysis of financial management variable is .000 which can be recognized as a value lower than .05. Thus, it can be defined that there is a significant effect of the independent variable of financial management on the dependent variable of success of international conventions.

Table No. 3 is the regression table of marketing and promotion variable which demonstrates the impact of the latter variable on the dependent variable of this study. The impact of the marketing and promotion variable on the dependent variable of the study; success of international conventions has been calculated as beta value of .448. Thus, impact of the relevant independent variable on the dependent variable is evident. The significance value reads as .000 indicating a high significance. Based on that, it is possible to decide that there is a high confidence as well.

**Table No. 3: Regression table of marketing and promotion variable**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	17.495	2.383		7.341	.000
MAP	.523	.115	.448	4.536	.000

The significance value of the ANOVA analysis of marketing and promotion variable recorded as .000. It is clear, that the value is less than .05 which defines it as a significant impact. Therefore, it can be recognized that

there is a significant effect of independent variable of marketing and promotion on the dependent variable of success of international conventions.

According to the Beta values of the standardized coefficients of regressions analyses of the study, marketing & promotion can be identified as the most important technical determinant for the success of international conventions in Sri Lanka. It is followed by financial management and techniques of project management respectively.

## 8. SUGGESTIONS

Number of suggestions can be made for improvement of the convention industry of Sri Lanka based on the responses for the questions of the study and analyses of it. The most important technical determinant recognized by the present study is marketing and promotion. It is difficult to succeed an international convention without marketing and promotion. Development of brand image for the convention is vital with the involvement of competent and capable marketing managers. Implementation of marketing innovations based on the results of related marketing research can be considered as another important factor. Professional conference organizing companies should be able to deliver brand promises to the customers successfully.

Financial management is the second determinant in managing international conventions of Sri Lanka in accordance with the hierarchy of importance. It is clear that it is not possible to conduct an international conventions without adequate funds and resources. Therefore, professional conference organizers should be able to ensure allocation of funding and resources for the event. It is important to have a training in financial management for the employees who are handling related tasks. Qualifications and experience of relevant employees in the area of financial management may help to generate positive out puts of the conventions. It is recommended to the professional conference organizing companies to maintain proper procurement procedure at the conventions.

The last technical determinant for international conventions in Sri Lanka is techniques of project management. There should be clearly defined goals and objectives for the convention. Because, without goals and objectives, direction of the event project is not clear. It can be guided to professional conference organizing companies to develop project integration among different parts of the event project. Expertise on the usage of scheduling tools would help for proper planning and implementation of the convention projects. It should be ensured that technical requirements specified at the start of the event project will meet at the project execution phase. If unique activities are included in the international convention, it would cause to distinguish the product from the competitive products. And it leads to improve the image of the professional conference organizing companies as well.

## 9. CONCLUSION

Although, Sri Lanka has made significant emphasis as a destination for development of MICE tourism, expected results were not yielded. Lack of attention on the determinants for the success of conventions can be considered as a contributing factor for this scenario. The present study intended to recognize technical determinants for success of conventions with relative importance of those. This quantitative study applied online survey method for data collections and data was analyzed using statistical methods.

Out of three technical determinants affecting the success of conventions in Sri Lanka, marketing & promotion was identified as the most important determinant for the success of the events. Financial management is the secondly important determinant which is followed by techniques of project management in accordance with the perceptions of the professional conference organizers. Adequate emphasis on number of activities and elements under the three technical determinants would help to improve the success of conventions in the country making way for the growth of MICE tourism.

## 10. AREA FOR FURTHER RESEARCH

Lots of research areas and topics are open for future research in the related areas of this study within the domains of event management, event tourism, conference studies and convention tourism. There is a possibility to repeat this survey obtaining data from a larger sample in event industry of Sri Lanka beyond the limitation of professional conference organizers working for SLAPCEO member companies. But, the most important future research works should focus on technical determinants and other factors for the success in managing of different sub types of international conferences and other international events in Sri Lanka which would provide more specific in depth knowledge with more accurate view of the events separately. Success factors for managing

international academic conferences, professional meetings, seminars, workshops and state level summits separately can be given as examples.

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