Conference Destination Competitiveness Assessment: A Case Study of Xiamen

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Abstract. In recent years, conference tourism is an important development direction of China's tourism market and the destination cities have been facing fierce competition. Conference destinations differ from mass tourism destinations in competitive factors. The aim of this study is to evaluate Xiamen's competitiveness as a conference destination, improve Crouch & Ritchie’s tourism destination competition model, from the four aspects of restrictive core factors, core attractions, supporting factors, and destination management. The present study sought to evaluate Xiamen's competitiveness in urban public services, accessibility, location, economic conditions, natural environment, and other core elements such as tourism products, DMC services, conference facilities, and related policies. By analyzing these elements of competitiveness, to find Xiamen’s advantages and disadvantages as a conference destination, then make some recommendations to improve it.

Introduction

With the economic development in China, tourism has begun to move toward multiple levels and diversification. From the macro environment, the conference tourism industry is one of the important development directions, famous tourism destinations are focusing on the marketing of the conference market. Switzerland, Singapore, Australia and other countries have invested a lot of marketing power in the Chinese incentive and conference tourism market in recent years. In 2017, the added value of China's service industry was 42703.2 billion yuan, accounting for 51.6% of GDP, becoming the largest industry. As an emerging industry in the service industry, the conference industry has a strong momentum of development. Xiamen ranks the first place in top ten domestic travel destinations in 2017 and 2018, surveyed by Baidu Map and Ctrip, but according to “2017-2018 National MICE (Baidu) Big Data” published by CCEES (China Convention, Exhibition and Events Society), Xiamen's attractiveness index ranked only 17 in the 30 MICE cities alliance. Facing major historical opportunities for economic and social development—“Belt and Road” strategy and free trade zone policy, with the influence of the BRICS Xiamen summit, Xiamen should stimulate the level of infrastructure and ancillary services, and increase the visibility and reputation of the destinations.

Literature Review

The literature on the study of tourism destinations in China rarely comes from the perspective of conference tourism. The conference tourism market is different from the mass tourism market, so the competitive elements of the conference tourism destination and the mass tourism destination cannot be generalized. Most of the research on conference tourism comes from mature MICE destinations, mainly related to economic impact, location selection, tourist decision-making behavior and conference destination marketing organizations.

Conference Destination Brand, Image and Competitiveness

Conference destination research focuses on brand building, image, and competitiveness. “Corporate branding approach can be utilized for MICE destination branding” (Hoque, 2016). Destination image includes multi-dimensional construction of cognition, emotion and overall image...
helps improve the market competitiveness and perceived appeal of destinations (San Martin H, 2008).

The various abilities of a tourist destination are necessary conditions for the tourism competitiveness of the area (Ritchie & Crouch, 2006). The competitiveness of tourism destinations should be the ability of them to innovate and integrate tourism products with value-added characteristics (Hassan, 2000). Ritchie and Crouch addressed the conditions that should be met as a competitive destination are presented from the perspective of stakeholder satisfaction (Ritchie, Crouch, 2000).

Volgger proposed a successful conference destination marketing requirements for the destination management organization DMO (Volgger, 2014). Meeting planners and buyers have different perceptions by taking the marketing strategies of four Asian conference cities in Seoul, Hong Kong, Singapore and Bangkok as samples (Min-Hwi Kang, 2005).

**China Conference Destination Research**

Chinese first academic research on conference destination is from Shanghai. The construction of a conference corridor for the MICE gathering area in Shanghai was explored (Luo, 2009). At present, Beijing, Sichuan, Kunming, Haikou, Hangzhou, Chongqing and other places have already carried out research on conferences or incentives tourism for the construction of tourism destinations. Zhu studied the evaluation index system of conference destination competitiveness (Zhu, 2011), what was foundation as a competitive evaluation index system. But its sample of 17 coastal cities selected is biased in the typicality of the conference city, conference centers in midwestern China such as Chengdu and Kunming have not been selected, even the coastal cities like Sanya and Zhuhai are also not listed.

**Conference Destination Competitive Evaluation of Xiamen**

Michael Porter's theory of competitiveness is widely accepted, including the five-force competition model, three basic competitive strategies, and a complete diamond system. As a regional industrial system, the competitiveness of tourism destinations depends on the integration of multiple factors. According to Model created by Crouch & Ritchie, tourism destination competitiveness is divided into four aspects: restrictive core factors, destination management, core resources and attractions, supporting factors and resources. The competitive micro-environment and global macro environment act on tourism destinations to form the comparative advantage and competitive advantage of the destination. This paper uses the model for reference and analyzes the competitiveness factors of Xiamen conference tourism destination combined with the domestic conference tourism situation.

As a tourism destination with high reputation in China, facing the competition of conference cities, Xiamen's economic strength is not strong. It is located in Fujian where is economic depression of the economically developed areas of the East China, industrial structure and economic aggregate are at an disadvantage.

**Restrictive Core Factors**

On the southeast coast of China, Xiamen is located between the Yangtze River Delta Economic Zone and the Pearl River Delta Economic Zone, two of China's most economically developed domestic conference tourist markets, although its economic strength is the depression between the two big economies, the growth rate of the tourism industry is ahead of the whole country.

According to the data released by Xiamen Tourism Development Committee, in 2017, Xiamen received a total of 78.35 million tourists, an increase of 15.66%; of which, 3.8632 million were inbound tourists, an increase of 7.97% over the same period of the year. The total tourism revenue was 116.852 billion yuan, up 20.68% year-on-year, and the inbound tourism earned 3.221 billion US dollars, up 16.32% year-on-year. Statistical yearbook of Xiamen Special Economic Zone displayed In 2016, the number of inbound tourists increased by only 3.5%, meanwhile, Xiamen received 3.58 million visitors, an increase of 12.78% over the same period of last year. Foreign
exchange earnings from tourism was 2.769 billion dollars from inbound tourism, an increase of 38.7%, even surpassed Shanghai, second only to Guangdong Province, ranking second in the country. Its economic disadvantages can be turned into opportunities for the two major conference tourism markets (the Yangtze River Delta Economic Zone and the Pearl River Delta Economic Zone).

Xiamen’s economy is highly dependent on the real estate industry, resulting in relatively high prices. China’s real estate market has changed a lot in the past year or so, with Xiamen being the most affected city with the largest decline in house prices. Even so, high housing prices in Xiamen still drive young people away, which is the consequence of Xiamen's irrational economic structure. Objectively speaking, high housing prices reflect livable residential environment with good natural environment, better urban infrastructure, attracting buyers from other provinces and cities, similar to Sanya's tourism real estate industry.

**Destination Management**

Destination management mainly includes resource protection, marketing, organization, information and services.

As a city of conference tourism destination, the attraction factor of Xiamen lies mainly in the city itself. The scenery of marine gardens is overwhelming, and natural tourism resources are only supplementary elements. From the perspective of urban culture, Xiamen reflects the fusion of traditional Minnan culture and Western culture in music, architecture, and food. For example, the Nu Yin, puppet show and western music have become the "capital of music" in the popularity of folk music. The western style villa in Gulang Islet, the arcade in Zhongshan Road, and the traditional houses of Southern Fujian style in Zeng Cuo An are all the symbols of Xiamen, Ginger duck, satay noodles and coffee shops in the streets and lanes have become Xiamen's unique combination of Chinese and Western culture. According to the beverage statistics report of Meituan Review Institute, the number of cafe in Xiamen is the fifth largest in the country after Beijing, Shanghai, Shenzhen and Guangzhou, with only a fraction of the population of these cities.

The tourism service in Xiamen is at a high level in the country. In 2017, the proportion of the tertiary industry in Xiamen was 57.7%. It is the first in the country to create a “tourism industry all-factor big data platform”, which is currently the most abundant tourism big data platform in China. The platform includes hotel information, tourist cell phone sampling, industry management, customer data, public opinion monitoring, smart network evaluation, visitor spending record, employees, tourism weather, self-driving tour, tourist bus and other data, realize data statistics, market supervision, public opinion analysis and other functions.

The tourism distribution service system in hot spots is relatively complete, but the construction of public transportation outside Xiamen Island still needs to be strengthened. The first batch of four joint tourist attractions through trains have been opened, and the “helper + semi-self-help” mode of tourism consulting service outlets have been set up at major traffic nodes and tourist hot spots to realize online and offline business integration. Ten consulting service centers located at hot spot have been built.

**Core Resources and Attractions**

Xiamen's core resources are geographical conditions, mild climate, unique cultural history, active market connections, and positive local policies.

The Xiamen Tourism Bureau, the Convention and Exhibition Bureau, and the Tourism Bureaus of all districts launch cash rewards for companies that can organize large-scale visits to Xiamen. But this measure also has drawbacks. A few enterprises (DMC destination management company) with poor service management and poor reputation, hold the conference entirely for the government’s rewards, ignoring the quality and service of the conference, causing a large number of complaints from participants. However, the award policies does not consider stakeholder’s feedback when awarding rewards. It has caused and continues to adversely affect the level of conference services in Xiamen.
Supportive Factors and Resources

Supporting factors mainly include infrastructure, traffic accessibility, urban convenience, and business management.

Facilities and equipment include urban public infrastructure, participatory tourism resources, the number of conference hotels, meeting room area, meeting equipment and so on.

Xiamen's urban public infrastructure is not evenly distributed. Public transportation, commercial facilities, cultural and sports facilities are very complete inside the island, meanwhile, insufficient outside the island.

In terms of accessibility, Xiamen's land transportation (railway and highway) is weak and air traffic is strong. Among the 36 major cities in the National Bureau of Statistics, Xiamen had a total population of only 2.2 million at the end of 2016, ranking fifth from bottom. However, Xiamen ranks 11th in passenger throughput in 2016 among the National Airport passenger throughput data provided by CAAC. “Xiamen Special Economic Zone Statistical Yearbook 2018” display, the passenger throughput of Xiamen Airport was 24.4852 million, an increase of 7.7%. 170 routes were opened, and it was open to traffic with 26 international and overseas cities. 16 foreign (regional) airlines operated at Xiamen Airport. Due to geographical location, the range of arrival within four hours from Xiamen via land transportation are only Fujian, Guangdong and Hong Kong.

There are not many participating tourism resources in Xiamen, which leads to insufficient richness of incentive tourism products and insufficient attraction. According to the existing resource conditions, it is possible to increase the construction of paragliding bases, golf clubs, yacht clubs, sailing clubs, and develop tea culture and recreational conference tourism products.

Cruise industry in Xiamen is relatively developed, Xiamen has joined the Asian Cruise City Union, was elected the World Tourist Cities Federation Cruise Branch member.

As for destination management companies, Xiamen tourism has matured. Some travel agencies have begun to expand their conference business very early, PCO (professional conference organizer) like C&D Travel Service, XMtour have emerged. C&D Travel Service is the member of ICCA and SITE. There are more travel agencies worked as conference reception providers. However, a large number of travel agencies with poor reputation have emerged in the rapid development of the tourism market. They are good at exploiting the loopholes in the policy to cheat the reward. More high quality PCOs and DMCs are needed to maintain healthy competition and good image of Xiamen.

Conclusion and Further Studies

In general, tourism destinations such as Xiamen, where the economy is small and the industrial structure is imperfect, won a large number of tourists relying on the beautiful and convenient urban environment in the past. However, in the special business market of conference tourism, it is necessary to make greater progress in professionalism in order to be more competitive. Due to historical reasons and political reasons, restrictive core factors such as industrial structure and location traffic cannot be adjusted for a short time, but more work can be done on the microscale. To strengthen the positive incentives and guidance of the conference management enterprises, to enrich the participatory tourism attractions, and hold various festivals based on urban culture to attract tourists, should be put on the agenda.

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