

## A new paradigm for meetings and events studies

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**Abstract:** The aim of the article is to propose a new way of perceiving and researching meetings and events, which in turn will contribute to our understanding of how to stimulate the development of this sector more effectively. Thus far, researchers have tended to emphasize the economic importance of meetings. The article presents an innovative research approach concerning one specific type of meetings, namely “congresses”. This new paradigm focuses on the institutional role of congresses. The analysis has identified the functions that congresses perform in relation to market stakeholders and the relationships between them that create cooperation. Convention Bureaus and Congress Ambassadors were identified as new institutions that have added to the development of the entire congress market. As the most important for the development of Meeting Industry, the article indicates the synergy between the stakeholders of the sector and the activation of the demand side by strengthening the role of associations.

**Keywords:** meetings, events, congress, convention, institutional economics

**JEL classification:** G14

## Nova paradigma za studije sastanaka i događaja

**Sažetak:** Cilj članka je da predloži novi način sagledavanja i istraživanja sastanaka i događaja, koji će zauzvrat omogućiti razumevanje kako efikasnije stimulirati razvoj ovog sektora. Do sada su istraživači težili da naglašavaju ekonomski značaj sastanaka. U članku je predstavljen inovativni istraživački pristup u odnosu na jednu specifičnu grupu sastanaka, a to su „kongresi”. Ova nova paradigma se fokusira na institucionalnu ulogu kongresa. Analizom su identifikovane funkcije koje kongresi obavljaju u odnosu na učesnike na tržištu i međusobne odnose koji stvaraju saradnju. Kongresni biro i kongresni ambasadori identifikovani su kao nove institucije koje su doprinele razvoju celokupnog kongresnog tržišta. Sinergija između zainteresovanih strana takođe je identifikovana kao uslov za proširenje sektora; najvažnije je ojačati i aktivirati stranu potražnje (asocijacije).

**Ključne reči:** sastanci, događaji, kongresi, konvencije, institucionalna ekonomija

**JEL klasifikacija:** G14

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## 1. Introduction

This article is the result of research on the phenomenon of congresses taken from a perspective different from the current dominant one in the literature on the subject. The most common approach in literature emphasizes the number of participants and the large budgets of congresses. Thus, the significance of congresses is traditionally derived from the size of congresses (delegates and money). However, this approach does not answer what is so special about congresses compared to other forms of gatherings. Another question is what makes congresses usually (but not always) win large audiences and large budgets. And one more question, especially important in the time of recovery of Meeting Industry after the Covid-19 pandemic: what influences that the market generates congresses and whether and how we can increase their number.

In order to answer these questions, a detailed study of the selected congress market, namely in Poland during the 1997-2018 period, was undertaken, which was an example of very dynamic development, including the creation of a number of new solutions. The study was conducted from the perspective of institutional economics, which assumes that the market creates specific institutions that allow for more effective transactions between the demand and supply sides.

The most important clients generating demand on the congress market are domestic and foreign industry associations. The paper defines the concept of a congress as an assembly of an above-average size associated with the activities of associations (or similar organizational forms), distinguished by the importance of the issues raised, as well as the formal (or implicit) empowerment of the represented group to make decisions or indicate solutions on a given topic. Thus, the element that distinguishes the concept of a congress from other forms of business meetings is the *empowerment to solve an important social problem*. It has shaped the high rank of congresses throughout history as a special institution. This institutional role of congresses also determines their importance in the modern knowledge-based economy.

This can be summarized as follows: congresses are not important because they are large, on the contrary, they are (or can be) large because they are important. This different approach constitutes the “paradigm of change” (Kuhn, 1962) for Meeting Industry research. This new approach allows the search for solutions (formal and informal institutions) that operate in a given market and affect supply, demand and transactions between them, such as access to information sources, trust between partners of the congress market and market expansion.

## 2. Characteristics of different types of business meetings

### 2.1. Types of business meetings

The concepts of *events* and *meetings* have been the object of interest in various academic fields including marketing, communication, tourism studies, management studies as well as economics. Within entrepreneurship, there has emerged the term a *meeting industry* sometimes referred to as *the events industry*. In the professional literature, the process of clarifying the naming of human gatherings has been ongoing for several decades. Numerous authors have pointed out the terminological ambiguity (Bladen et al., 2018; Davidson & Cope, 2000; Ladkin, 2002; Lee & Back, 2005; Rogers, 1998; UNWTO, 2006; Weber & Chon, 2002). In contemporary publications, the English terms *event* and *meeting* are commonly used in many expressions, such as *event tourism*, *event marketing*, and the *meeting industry*, but one should keep in mind that in practice they are being used within national languages, where English words are not always acceptable. Still, many definitions remain unprecise, which is reinforced by the information noise present in the media and language used in the industry on a daily basis. Academia is also not immune to the problem of the lack of terminological precision (Rogers, 2013; Wroblewski, 2019). The process of classification and defining terms is still ongoing and the lack of terminological precision has resulted in the weakening of the position of the entire field in terms of both its practical application and the science dealing with it.

The word *event*, which has recently become very fashionable in the research literature, is very broad and therefore seen as an imprecise term. However, it is currently very widely used, but has not always been met with full acceptance. The concept of an event is associated primarily with corporate (business) events that are meetings commissioned by companies, including corporations, unlike congresses, that are associated mainly with the activities of professional associations.

One example of incoherence can be found in the definitions given by two highly prestigious sources. The United Nations maintains an ISIC (United Nations Statistics Division – Classifications Registry) in which class 8230 states the following description: “Organization of conventions and trade shows include: organization, promotion and/or management of events, such as business and trade shows, conventions, conferences and meetings, whether or not including the management and provision of the staff to operate the facilities in which these events take place” (UNSD, 2022).

In turn, Meeting Professionals International, one of the most important global organizations of gathering professionals in this industry, gave the notion of *meeting* a superior ranking and adopted the following definition: “Meeting is a general term indicating the coming together of a number of people in one place, to confer or carry out a particular activity: a gathering of 10 or more participants for a minimum of four hours in a contracted venue. These meetings include conventions, conferences, congresses, trade shows and exhibitions, incentive events, corporate/business meetings, and other meetings that meet the aforementioned criteria” (WTO, 2014, p. 10). Undoubtedly, both definitions indicate the business nature of all aforementioned forms of meetings, except they do not include private meetings (e.g., weddings, family reunions). However, from the cited definitions, as well as from many other ones, it cannot be induced whether the broader concept is related to an event or a meeting. For the sake of clarifying these definitions, the authors’ recommendation is to accept ‘meeting’ as the superior term (as in the definition of MPI), and it is even better to use the term ‘business meetings’ (Munter & Netzley, 2011). The latter might work well in translations into other languages. On the other hand, as an auxiliary solution, for example in popular publications, it may be more convenient to use the combined expression ‘meetings and events industry’. To put it more simply, it can be assumed that the general term ‘business meetings’ consists of the following forms of people gatherings: (1) congresses, (2) conferences, (3) business events, (4) fairs and exhibitions, and (5) incentive events.

At this point, it is necessary to explain why the word ‘convention’ was not used in this division. In the American tradition, the word ‘congress’ is reserved for the Chamber of Parliament, hence the term convention has been used to describe gatherings of professionals and scientists (mainly in North America and Australia, as well as in other parts of Asia). Generally, in most sources, these concepts are considered to be the same: “Congress – a European term for convention” (Seekings, 1992), “Widely used in America, Australia, and Asia to describe the traditional form of annual or total membership meeting” (Weber & Chon, 2002). It can therefore be assumed that the term ‘convention’ is the same term as ‘congress’.

A detailed analysis of this phenomenon and the role of congresses will be presented later in this paper, however, first it is important to explain the basic differences between the three terms: *congress*, *conference* and *event*. When distinguishing between the first two, we usually intuitively refer to the criterion of numbers attending the event i.e., congresses are usually larger than conferences. But is this a sufficient basis for distinguishing between them? And what about ‘events’?

It may be useful to analyse the functions of these forms of assemblies towards their stakeholders, and in particular their clients. A ‘client’ as a criterion has been applied by the ICCA (2017) which is a global organization that monitors trends of international meetings for their analysis. According to the ICCA methodology, the demand for meetings is created by

three main sectors: the association sector, the corporate sector and the public sector. Table 1 shows the features of these three forms and their dependence on the specifics of the client segment.

Table 1: The specificity of the three basic sectors of the business meeting market

| <b>Criteria</b>                                 | <b>Association market</b>  | <b>Corporate market</b>   | <b>Public market</b>  |
|---|--|---|---|
| Typical size (number of participants)           | Large or very large  | Can differ  | Rather large  |
| Lead time                                       | Very long, from 6 months to 4–8 years  | Short, even a few days  | Usually limited by the term of office of the authorities  |
| Who makes decisions                             | Collegial decisions of the association's board, held periodically  | The owner (or CEO) and the management board, the meetings of the board on a daily/weekly basis  | The tender committee, requires approval   |
| Typical recipient of RFP (Request for Proposal) | PCO  | PR agency, Event agency, PCO  | Diversified entities that meet specific conditions  |
| A typical range of the client's needs           | Ensuring participation, ensuring sponsoring, specialized services: communication with participants and speakers, gathering presentations (texts, slides), translation and interpretation | Coordination and supervision. Doesn't require ensuring participation (events organized for employees), or securing sponsoring (costs are covered by the client) | Coordination of predetermined, mainly technical tasks   |
| The aim of collaboration with intermediary      | Earning  | Saving  | Compliance of expenses with the order, obtaining a collective invoice for the entire event  |
| The way of selecting the contractor             | Comparison of offers or formal tenders   | Comparison of offers or tender with its own regulations   | Regulated by the public procurement law   |
| Response to the contractor's offer              | Slow   | Quick   | Strictly defined in the tender rules, not subject to change   |
| Possibility to make corrections                 | Big  | Depends on the company's policy but allowed   | Very limited or not possible  |
| The nature of the event                         | Serious, prestigious   | Forms of entertainment and integration are often included   | Official, often political in its nature   |
| Limitations, sensitive matters                  | Desired cooperation with media and sponsors. A sensitive issue: handling foreign guests.   | Confidentiality of content from the competitors   | Sensitive topics: political correctness, necessary documentation (report on the meeting, minutes), compliance with the rules (e.g. alcohol) |
| Typical form of meeting                         | <b>Congress</b><br>(Or a Conference, in case of a limited number of participants)  | <b>Business Event</b>   | <b>Conference</b>   |

Source: Author's research

As evidenced in the above table, the client is considered to be the principal criterion and the size of the assembly is considered a secondary criterion. However, the latter should also be taken into account, so it is analysed below.

## 2.2 The number of participants

The issue of the number of participants who attend meetings requires a detailed discussion because of the fact that this aspect is the basic information provided in statistics and is one of the most important indicators in quantitative research. The classification standards in this area have been developed over the past century by two international industry associations: the Union of International Associations (UIA) and the International Congress and Convention Association (ICCA). The [UIA \(2018\)](#) has accepted the minimum number of 300 people as its eligibility criterion. In turn, [ICCA \(2017\)](#) considers the number to be 50 participants, along with additional criteria, as the minimum while grouping events in the ranges of 50–149, 150–249, 250–499, 500–999, 1000–1999, 2000–2999 and over 3000 people.

Based on The International Congress and Convention Association Data ([ICCA, 2017](#)) the authors assume that a threshold of 250 participants for the separation of the two groups of meetings: the larger ones with a majority of congresses and the smaller with a majority of conferences. This is of course an arbitrary boundary, but the solution is supported by the fact that it is based on ICCA (as the most popular source of annual data) and it is close to the standard used by the UIA (300 participants). In addition, practical solutions applied to the organization of gatherings indicate that smaller meetings are usually handled independently by the community interested in holding them, using a task force created *ad hoc* from its own resources and volunteers. In turn, increasing the size of the gathering, and thus increasing the complexity of the project, is correlated with the emergence of a dedicated organizer or organizational team, and often outsourcing the task to a separate company.

Hence, in defining the term congress, the authors take into account both the criterion of the commissioning party and the number of participants. Therefore, for the purposes of this research, it can be assumed that the congress is a gathering of above average size, usually associated with the activities of associations or wider (international, intergovernmental) structures, distinguished from similar forms of meetings with its significance due to the formal or implicit authority to make decisions on issues that are important to society or a represented group, often having an extensive program and an impressive setting. For the needs of socio-economic analysis, the number of participants should be at least 250 persons.

## 2.3. Definitions of business meetings

The definitions listed below were prepared by [Wroblewski \(2019\)](#) based on the dictionaries provided by leading industry associations: Convention Industry Council and International Association of Convention and Visitors Bureaus, as well as numerous scholars ([Celuch, 2014](#); [Cieslikowski, 2014](#); [Sikošek, 2012](#); [Weber & Chon, 2002](#)).

- **a congress** is an assembly of above-average size (from 250 participants) associated with the activities of associations or wider structures (international, intergovernmental), empowered to solve a socially important problem, requiring a greater amount of preparation and generating a need for professional help (in particular, from the Professional Congress Organizers);

- **a conference** is a relatively smaller gathering (less than 250 participants) and is fairly simple to organize, often independently carried out with the initiator's own forces, and is a form used by various customer sectors;

- **business events** are assemblies carried out for companies (corporations), in particular for the purpose of marketing and sales growth, but also training and integration of employee teams;

- **trade shows and exhibitions** – have two basic options: for business (closed, by invitation) and for consumers (open, for the general public);

- **incentive events** are activities aimed at motivating employees or business partners and clients, constituting a key marketing tool for every company, especially bigger ones. A classic form of implementing this concept is by incentive travel.

It needs to be emphasized that the proposed division of forms of business meetings is a certain simplification, necessary for the readability of the presentation. In fact, these forms are interwoven and in each particular project we find elements from at least two forms of the above typology, e.g., [Davidson and Cope \(2000, p. 5\)](#).

### 3. Terminological issues related to the industry as a whole

Another aspect that needs to be discussed is the terminology referring to the whole field of activity related to business meetings and methods of assessment of its economic impact.

#### 3.1. Meetings and events industry versus business tourism

In the 1970s, the acronym MICE became popular. In addition to the fact, that the abbreviation MICE soon became the subject of jokes, a far more important problem was (and still is) the reduction of the scope of this broad economic and social phenomenon to only four letters. The acronym MICE can be ‘unpacked’ in several ways, with the letter standing for: C – Congresses or Conferences and E for – Exhibitions or Events ([Wroblewski, 2014](#)). The following acronyms are less commonly encountered: MEEC (Meetings, Expositions, Events, Conventions) ([Fenich, 2015](#)), MECE (Meetings, Events, Conventions, Exhibitions), MCE (Meetings Conventions, Exhibition), and only seldom the acronym CEMI has been used (Conventions, Exhibitions, Meetings, Incentives) ([Weber & Chon, 2002](#)).

Some authors have proposed using all three terms as synonyms, where “business tourism = meeting industry = MICE market”. This does not to be such an unambiguous solution is justified, for several reasons. Mainly because the term MICE does not include business trips in the sense of a single employee's trip on behalf of his/her company or institution, which is undoubtedly an important element of business tourism.

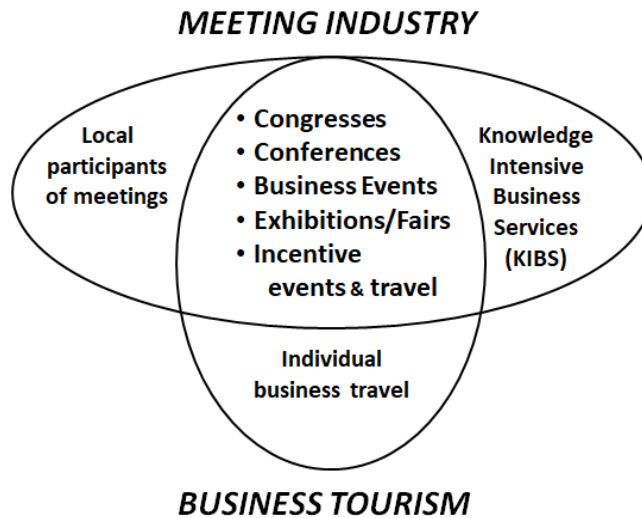
Currently, the entirety of professional activities associated with meetings is commonly referred to as the *meetings industry*. This term has been consciously promoted to emphasize the growing importance of this vastly expanding field ([WTO, 2014](#)). Over the last years, it has been noticeable that the term *meeting industry* is gradually being replaced with the acronym MICE, but the latter still remains popular due to its conciseness, and therefore its ease of use. At present, the term *event industry* is becoming popularized, which may pose certain problems. This can result from an overtaking of the image of the industry by the festival dimension, i.e., events that are focused on promotion or entertainment, and not on substantial issues aimed at exploring more serious social issues, e.g., scientific, and creative problems.

In terms of the overall functioning of the industry, it is necessary to take into account the individual journeys undertaken for business motives. This category (business travel) is in practice very large, cost-generating and of great importance for corporations that are using traveling sales representatives, so it is an important part of the budget of companies. At the same time, it is an important income segment for hotels, airlines, and car rentals. Because of these matters, both sides of demand and supply are usually managed by the same people who are responsible for events and therefore *business travel* should be seen as part of *business tourism*.

Thus, the question arises about the relationship between the *meeting industry* and *business tourism*. Participants of conference meetings may come from outside the city in which the meeting is being held as well as from the same place. The scale of this phenomenon is emphasized by Jago (2012): “in the 2011 American study local delegates made up 41% of all participants (p. 13)”. This means that only the first group fits into the concept of a tourist coined by UNWTO: “people who spent at least 24 hours in the country of temporary stay for purposes of leisure, curative, sightseeing, service, sports, religious, family, social, political, etc.”

The second important element that distinguishes the *meeting industry* from *business tourism* are specialized services that use the acronym KIBS – *Knowledge Intensive Business Services*. They include marketing activities (event marketing), creating and preparing publications and other prints, e.g., programmes for the participant of a congress, creative tasks (e.g., artistic concepts, design, software, etc.) (Borodako et al., 2014). This kind of services is rendered by meeting industry companies (e.g., Professional Congress Organisers). Thus, KIBS must be regarded as a component even though the term does not exist in the tourism literature. The relationship between these concepts is shown in Figure 1.

Figure 1: Meeting industry vs business tourism



Source: Author’s research

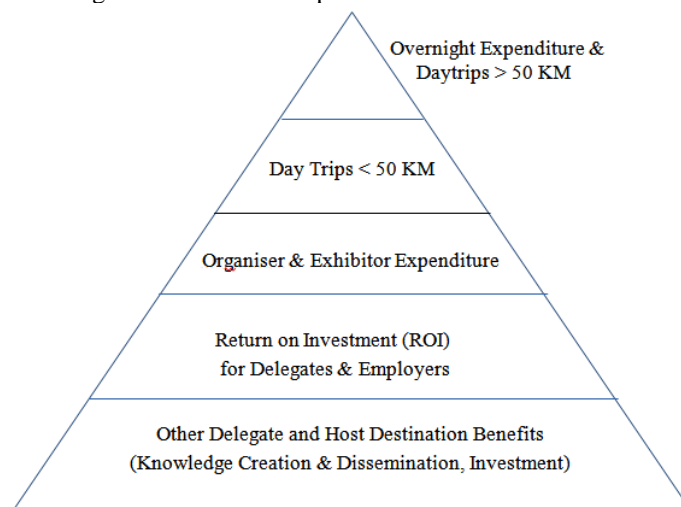
### 3.2. Methodology and techniques for meetings and events studies

Given the importance of the industry, the development of methods for the assessment of its social and economic impact has become particularly important. Although those working in the meetings and events sector appreciate that business events make a substantial contribution to host destinations and beyond, the value of this contribution has neither been adequately documented nor well communicated to external stakeholders. In an attempt to address these concerns, the Joint Meetings Industry Council (JMIC) held a conference in London in 2011 that involved a range of key stakeholders from the field of business events and a number of invited experts with relevant expertise. There was unanimous agreement among the participants of the conference that for enhanced credibility it is critical to ensure that the economic assessment of the value of business events conforms to a set of internationally agreed guidelines (Jago, 2012).

Detailed analysis (Jago, 2012) of existing studies has shown that there are three general approaches: (1) Assessing the economic contribution of business events at the national level; (B) Assessing the economic contribution of business events at the local or sub-national level; (C) Assessing the ‘beyond tourism’ benefits of business events.

- (A) Regarding the first of these, which is the broadest in scope, so far only a small group of countries in the world have conducted research on the economic impact of the meetings and events industry on their economies. These studies were initiated by Australia in 2005, followed by Canada, the USA, and Mexico. The obtained calculations have shown that the share of the meetings and events industry in the GDP of a given country is at a minimum level of 1%. For example, Mexico – 1.43% (2010), Canada – 1.5% (2012), Denmark – 1% (2012), Singapore – 1.06% (2012), the United Kingdom – 2.9% (2011), Malaysia – 1.78% (2015), and Poland – 1% (2015) (Celuch et al., 2017; Jago, 2012).
- (B) Regarding the research at the second sub-national level, there appears to be three main approaches: (1) Contribution that a single business event makes to a region; (2) Contribution that business events held at a single venue make to a region in a year; (3) Contribution that business events held at multiple venues in a region make to that region in a year (Jago, 2012). The focus of this research is the contribution resulting from the spending of new funds brought to the region by business visitors. While this approach is appropriate for assessing the value of tourism, it underestimates the value of business events as it ignores the contribution made by local delegates, which is an important component of the overall value. Therefore, attention should be given to the correct labelling of the outputs of such studies of business events. Their outputs represent the ‘tourism contribution’ of business events rather than the total contribution and should be labelled as such.
- (C) Regarding the third approach of assessing – the ‘additional benefits’ of business events, studies have shown the existence of substantial ‘beyond tourism’ benefits for delegates and the host destination. These studies, however, have not been successful in estimating the magnitude of the value. However, the business event value triangle that has been developed in Australia (Jago, 2012) demonstrates the different components of value that business events deliver and underlines the relative importance of the ‘beyond tourism’ component (Figure 2).

Figure 2: The five components of business event value



Source: Jago (2012, p. 6)

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Summarizing the above analyses, it seems that apart from the need to systemize and describe the terminology, a methodological problem is of fundamental importance. This methodological aspect consists of: the choice of approach to research and the choice of the scientific field in which the research is to be conducted. As visible from the examples that are cited, tourism studies do not value the role of non-tourists. First of all, the term ‘beyond tourism effect’ is difficult to accept since it has to be applied to phenomena of importance that is much more important than the ‘tourism effect’ itself (which primarily involves new funds that are brought to the region). Secondly, within classical economics, the role of individuals and social organizations are not taken into account enough (Fukuyama, 1992; Stiglitz, 2002). In addition, typical economic indicators cannot confirm the impact of events on the development of, for example, a city or region. There is therefore a need for so-called out-of-the-box thinking which is unconstrained by the framework of a given narrow field and will allow focusing on the other essential factors which are determining the importance of the meeting industry.

#### **4. Congresses as a particular subject of the study**

An attempt was made to examine the phenomenon of the congress market as a separate subject area of this study. The separation of congresses was allowed to break free from the dominant pattern of perceiving its meaning through the prism which is based on the number of participants and the size of the budget. Such a different approach is a consequence of the authors' use of cognitive assumptions adopted by methodological constructivism and institutional analysis. It is legitimate to use the methodological solutions which have been developed within institutional economics because of at least main two reasons (Zboron, 2009, p. 77). Firstly, institutional economics makes it possible to pursue qualitative and interdisciplinary research. Secondly, epistemological constructivism (widely used in the social science literature nowadays) creates the opportunity for innovative and out-of-the-box approaches to the particular problem (Chmielewski, 2011). Hence, the most basic question for a researcher is not related to the economic significance of a particular event anymore but to the functions performed towards its stakeholders. As defined by ICCA (2017), these stakeholders include, first of all, the client (the so-called *meeting owner* of the association or corporation which acts as a commissioning party) and secondly, the persons attending the meeting (*delegates, participants*). These functions have distinct institutional character, that is, they fulfil some important functions in terms of social consciousness.

##### **4.1. Historical conditioning of the importance of congresses as an institution**

The genesis of congresses can be found in the history of religion, in particular of synods (*synodos* from the Greek language – *common path, assembly*), as a form of high-ranked congregations in a specific hierarchical structure. Even in the past centuries, for a given synod to be socially recognized, its representativeness was extremely important, that is, the correctness of its calling. It has happened in history that some synods were convened in violation of the applicable procedures. They were later referred to as *conventicula latrocinia* (Latin), which can be translated as felonious or criminal gatherings (Catholic Encyclopedia, 2022). Therefore, the most important feature of synods as recognized institutions is not so much the number of participants in a given assembly, but their authorization to decide.

The second source of congress traditions is described in the key meetings of rulers or leaders, in particular those who bring peace during the post-war period. The oldest preserved descriptions of peace keeping assemblies concern the ancient Athens (Demosthenes' speech from 346 BCE), although the oldest certificates of peace contracts go back to the Babylonian era. Latin *convenio* means – come together; to agree; to assemble. Two other words are also close to these: *congrego* which stands for to gather/collect and *congressio*, a meeting.

Therefore, it can be assumed that the historical rank of such gatherings was considered to be a mechanism for resolving conflicts or other more serious problems of key importance for societies and states. This has built up a universal recognition of the role of congresses (or conventions) as a kind of institution.

At this point, it is necessary to note that many assemblies, similar to the ones described above as important gatherings, are known in history as *conferences*, not *congresses*, despite the fact that they had both the attributes of a large number of participants and as previously mentioned, legalism (the right to represent the will of the participants, e.g., countries). As examples, we can cite the United Nations Founding Conference in San Francisco (1945) or conferences leading to the adoption of the Treaty of Rome (1957). Thus, the actual name of a particular assembly may not actually determine its classification as a congress.

As mentioned previously, the concepts of *congress* and *convention* are virtually identical. When considering the use of one common concept, the authors have analysed a dozen definitions regarding the terms *congress* and *convention* that have been used in reports and dictionaries recommended by the international industry associations such as CIC – Convention Industry Council (currently Events Industry Council); IACVB the International Association of Convention and Visitor Bureaux; IAPCO International Association of Professional Congress Organisers; as well as numerous other researchers (Celuch, 2014; Poland Convention Bureau, 2016; Sikošek, 2012). It has been noted that the following components that have been identified are repeated in the analysed definitions of *congress/convention* concepts: (1) a large gathering; (2) devoted to a specific topic; (3) related to the resolution of highly important matters relevant to further action in the public interest, held on behalf of the organization which are authorized to make decisions; (4) related to debate and decision making; (5) often related to the election of authorities; (6) recurrent, regularly held gatherings in accordance with the rules (e.g., the association by-laws); (7) with a longer duration; (8) having an extended form (parallel sessions; exhibition; social program); (9) having an educational program; and (10) ensuring the exchange of ideas.

An analysis was conducted of the frequency of occurrence of particular components of definitions which indicated that the most frequently mentioned (9 out of 12) was ‘empowerment for making decisions’, the second most frequent (7 out of 12) was ‘socially important topics of the meeting/important to the represented association or a group’. The third most frequent component was ‘periodicity of the gathering’. Thus, the first three elements have one thing in common – they refer to the problem-solving process. It can be assumed that the formal (by the organization) or default (due to the social importance of the subject) legitimacy for resolving or recommending solutions to significant problems is an essential and distinctive feature of congresses. These important gatherings of confederate people were described almost 200 years ago by Alexis de Tocqueville in his famous *On Democracy in America* (1835). He laid the success of democracy at the feet of associations and the engagement of community peers who *associate* with each other and *share what they know*. He stressed that “The second degree in the right of association is the power of meeting. Men have the opportunity of seeing each other; means of execution are more readily combined, and opinions are maintained with a degree of warmth and energy which written language cannot approach” (Tocqueville, 1835, p. 215).

#### **4.2. The model of the congress market and a congress function matrix**

The authors have identified five major functions (based on Golovinski, 2012) that congresses usually fulfil in relation to market stakeholders, including participants and the clients themselves:

- (1) educational function, i.e., acquiring knowledge (in particular, it concerns participants of the congress) and dissemination of specific content (the purpose of the client of the congress);
- (2) business enhancement function, i.e., promoting a product, conducting business talks aimed at the development of a company or their own professional career;
- (3) the image creation function, i.e., building/strengthening a personal and/or company image, for the congress participant as it will also be related to the psychological need for belonging;
- (4) networking function, i.e., expanding/strengthening contacts, acquiring new clients, meeting new people; and,
- (5) motivational function, i.e., strengthening engagement and positive relationships of members of a given organization; improving the emotional state as a result of participation in the meeting; the accomplishment of the needs for recognition, achievement and security.

As a result of these findings, a functional model of the congress market was created to determine the relationship between the main institutions of the congress market (Wroblewski, 2019). Nine market stakeholders were included and were understood both as formal or informal institutions: (1) clients (meeting-owners, commissioning parties), mainly professional associations; (2) participants of congresses (delegates); (3) PCOs who were companies directly responsible for the organisation of a meeting; (4) congress venues (congress centres); (5) convention bureaux; (6) industry associations; (7) congress ambassadors; (8) industry journals/media; (9) academic community (researchers, lecturers). The state and its institutional impact may be regarded as the 10<sup>th</sup> element of the model. It is worth mentioning that in some countries (e.g., post-Soviet or Asian countries) the governmental institutions might be of greater importance.

## **5. Methodology**

These two groups of variables were used for the analysis of the links between entities associated with the congress market. The structure of the aforementioned functions of the congress were used in the study, which indicated the existence of stronger links between the congress market stakeholders (cooperation matrix). For this purpose, the Delphi method and a panel of representatives of various groups of congress market stakeholders were used. The Delphi method (also known as Estimate-Talk-Estimate or ETE) is one of the heuristic methods aimed at discovering new facts and uses an indirect form of expressing opinions by experts (Linstone & Turoff, 2002). The basic principles of this technique are to carry out several stages in which experts answer questions aimed at gradually agreeing to their positions on the issue or problem being investigated.

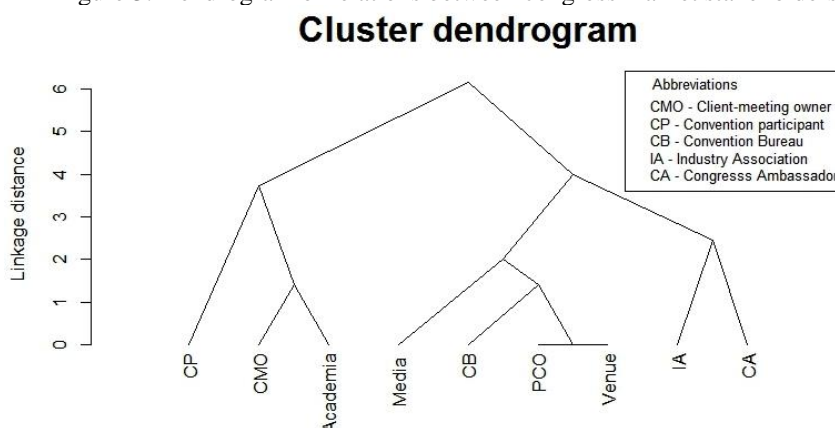
This study was carried out based on the example of Poland, a country that has achieved significant success in business tourism over the past 20 years, as confirmed by numerous reports (ICCA 2016–2017). The survey was carried out in April and May 2018. A total of 15 representatives of various groups of congress market stakeholders were invited to participate in the Delphi online procedure. These representatives consisted of: congress facility managers (3 people); owners or directors of congress industry companies (4 people); Convention Bureau managers (4 people); representatives of the world of science (3 people); people associated with the program of the Polish Congress Ambassadors Program (4 people including 1 congress ambassador); a representative of public administration (1 person); media representative (1 person). Some of these representatives had more than one of the above affiliations; 7 people belonged to associations of the professional meetings industry; and all representatives had a long-standing relationship with the congress industry. Thus, the diversity and high competence of the study representatives was established. Full anonymity was also maintained at each stage, with the coordinator only providing the experts with only a summary of the answers and a calculation of the median and arithmetic mean, and a commentary indicating the areas of doubt. Due to a lack or delay of response, answers were finally obtained from 11 of the experts. The experts did not receive any remuneration for the services provided.

The specific goal of this study was to determine the importance of individual functions that could be performed within the congress. Experts, based on their knowledge and experience were able to comment on both their own role as a congress market stakeholder and express their opinions of others. Answers were readily made available and during the second stage of the study, there was recognition that excellent conclusions had been achieved. The second round of responses allowed for an agreement of opinions, and in the third round, the participants were informed about the results that had been obtained, which did not raise any further questions or queries from the participants.

## 6. Results

Based on a matrix analysis with an assignment of the importance of various functions (Education, Business, Image-creation, Networking and Motivation) to stakeholders of the congress market, a dendrogram (Figure 3) of the identified relations was created by means of a cluster analysis using a complete method and Euclidean distance in R programming language (Kassambara, 2017). Correlation analysis of major clustering methods (complete, average, single, Ward, centroid) showed a high degree of similarity with a minimum possible correlation coefficient equal to 0.91.

Figure 3: Dendrogram of relations between congress market stakeholders

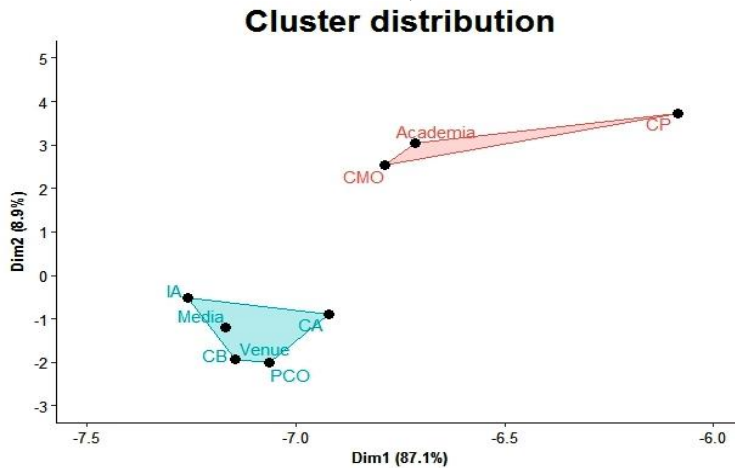


Source: Author's research

The analysis produced the existence of two clusters (Figures 3 and 4). Cluster 1 was made up of Clients (Meeting owners) along with Convention participants and representatives of Academia. The composition of Cluster 1 confirmed its demand nature. Cluster 2 consisted of: Professional Congress Organizers (PCO) with Venues and Convention Bureaus, Congress Ambassadors, Industry Associations, and Industry Media. The character of Cluster 2 was determined by two supply side elements (PCO and a Venue) along with supporting institutions (Convention Bureau, Ambassadors). The relative distance between these two clusters that are shown in Figure 4 indicates a different orientation (the pro-business orientation and the orientation on other factors) of these two clusters. A concentration of six elements in Cluster 2 might be interpreted as related to the sharing of the same objectives in terms of attracting potential clients. It is interesting that the ambassadors of congresses were placed in the supply cluster, which points to the perception of representatives of science as a significant link between the supply side and clients. At the same time, it may also raise some questions about the location of the industry media in the business-oriented group of institutions. Convention Bureaus, in this study, were also perceived as a business-oriented institutions. In addition, elements of Cluster 2 were more closely related to each other than those of Cluster 1, which might indicate that there was a greater degree of differentiation of interests and objectives

among the latter. At the same time, in Cluster 2 there were two distinct sub-clusters (IA and CA) and (Media, CB, PCO and Venue), along with the interests and objectives of PCO and Venue which completely coincided with each other.

Figure 4: Diagram of cluster distributions (The ties between stakeholders of the congress market)



Source: Author's research

## 7. Discussion and concluding remarks

As previously stated, this paper focuses on the phenomenon of the institutionalization of congresses, and as a result, the reinforcement of the social consciousness that congresses perform has a specific and important function. The method that has been used to research the broad category of social phenomena has been developed over several decades and based on the sub-discipline of institutional economics, which is the reason why the authors have adopted the methodology of this sub-discipline for their analysis.

In the literature on the subject, institutional economics has been defined as a broad research area that has formed on the border of economics, sociology and political science. This relatively new trend refers to the concept of formal and informal norms, and social rules that are understood as institutions, and has developed theories related to the emergence and evolution of institutions.

The International Society for the New Institutional Economics provides us with a definition of institutional economics as: "NEI has an interdisciplinary character, combining economics, law, organization theories, political science, sociology and anthropology to understand the functioning of social, political and commercial institutions. It uses many disciplines of social sciences, but its basic language is economics. Its purpose is to explain how institutions work, how they evolve, what purposes they serve, how they change, and how – if at all – they should be changed" (ISNIE, 2022). In this definition, it should be noted that the pressure is on the normative scope of the discipline, therefore enabling the formulation of recommendations and predictions.

On the basis of economics, the introduction of the notion of the *institution* has been commonly attributed to Veblen (1899) in his treatise titled "The Theory of the Leisure Class". Other scholars who wrote about institutions were the fathers of sociology – Durkheim and Weber. Despite the long tradition of research on institutions, there is still no single widely approved definition of the concept of an institution. However, the most well-known and accepted is the

definition by North (1990) who stated that “institutions are the rules of the game in society, or more formally, they are invented constraints that define social interactions” (p. 3).

The theory of transaction costs which was initiated by Coase (1937) and developed by Williamson (1985) provided the foundation for understanding the reasons for starting enterprises as a special form of institution. This theory is a key element of the theory of institutionalism because it justifies the need and mechanism for creating institutions. Institutions allow for more effective functioning in the market. Williamson (1975) also suggested the need to distinguish four levels of economic analysis: micro (current changes), mezzo (period of changes up to 10 years), macro (perspective up to 100 years) and mega (perspective longer than a 100 years). In Table 2 below the different aspects of research on congresses were assigned to this four-level structure.

Table 2: Applications of economic theories to institutional research of the congress market

| Research level by Williamson, 1975                  | Theory / research problem   | Application to the congress market research   |
|---|---|---|
| I.<br>Culture, ideology, religion                   | Theory of institutions. The assumption of methodological moderate individualism.  | Informal institutions shaping the traditions of congresses. Traditions of debates and consensus. Institutionalization of the concept of congress. Path dependence.  |
| II.<br>Institutional environment                    | Property rights. Theory of institutional change (adaptation).   | Traditions of respecting property rights. Free market. Evolution of the congress market. Institutions (norms) informal vs formal institutions.  |
| III.<br>Governance                                  | The theory of rational choice (public, collective). Game theory. Model of homo <i>agens institutionalis</i> . The theory of transaction costs and the theory of a firm. Asymmetry of information. Theory of public goods. Model of industry. Rational reconstruction. | Model of the congress market – formal and informal institutions. The role of industry associations and support institutions. Supply and demand on the congress market. Access to information. Inclusivity of the congress market institutions. Institutions as a filter of entrepreneurship. Phenomena on the market of congresses in the field of rent-seeking, free rider, opportunism. |
| IV.<br>Employment. Measurement of business activity | Theory of structure and Agency theory. Intentionality. Context significance.  | Actions taken by actors (including individuals) within the supply and demand on the congress market. Contracts in the congress industry. Risks in convention business. Return on investment (ROI).  |

Source: Author’s research

Institutional economics fully enables the postulate of qualitative as well as quantitative research as well as interdisciplinary research. At the same time, it avoids the need to precisely determine the limits of a discipline. Secondly, the institutional approach accepts epistemological constructivism (widely used in the social sciences nowadays) that is understood as a cognitive process, the starting point of which is a certain theoretical construct (Janich, 1992, in Wendland, 2011). The use of a constructivist approach in the research process of this study can be considered a research paradigm that is a new way of capturing the phenomenon of congresses. An important difference in this institutional approach is to stress the need to take into account the role of individuals who express their will or pursue activities not only through companies but also through organizations (Chmielewski, 2011). Therefore, among the institutions shaping the congress market, an association that represents the interests of market participants should be taken into consideration.

Using an institutional approach, the following implications can be derived from an analysis of the congress market: (1) The subject of the analysis is the action of the congress market, (i.e., broadly understood institutions that determine the functioning of the market's stakeholders

including entrepreneurs); (2) Entrepreneurs are the driving force of the congress market, aiming at market expansion, (i.e., above all broadening the scale of demand); (3) A crucial element that is essential for the functioning of entrepreneurs and the expansion of the congress market is a reduction in the transaction costs and a reduction of risk in undertaking projects on this market; (4) A key mechanism that is conducive to reducing transaction costs and reducing risk is access to information (counteracting information asymmetry) and building trust between stakeholders of the congress market; (5) The phenomenon of sustained synergy between market stakeholders promotes productivity and expansion and can be considered as an *inclusive institution*. Based on the previous the following conclusion should be made:

- An institutional economy with its multidisciplinary approach is a convenient area for the analysis of such a complex phenomenon as congresses. Using the theory of applied epistemological constructivism allowed for the perception of a congress without any constraints which often occurred when researchers concentrate on commercial results of a congress or when they stubbornly locate the phenomenon of a congress in the field of tourism. The 'out-of-the-box' new perspective, used by the authors, has enabled the display of the unique character of congresses as an historically shaped social institution whose identity is determined by the high social importance of a given problem and the mandate of the gathering (participants of a congress) to deal with a given topic. This analysis has identified the functions that congresses perform in relation to market stakeholders and the relationships between them that create cooperation. Institutional analyses provide important descriptive, as well as normative and predictive implications for the real market.
- Informal and formal institutions in this research area include those that were previously unknown to a given market. Among them, there are convention bureaus and congress ambassadors that have gradually acquired an institutional character and gained full recognition of their role for the market stakeholders. They build lasting mechanisms that have added to the development of the entire congress market. These mechanisms can be defined by the use of the term *inclusive institutions* which promotes productivity and expansion of the market.
- In order to reach expansion of the congress market, it is recommended to support synergy between stakeholders, primarily between the demand and the supply side. The most important factor in the development of the congress market is to strengthen and activate the demand side i.e., participants of congresses that represent associations of various professional specialties. Various activation factors might come from the convention bureaus and congress ambassadors, as well as the media and the meeting industry professional associations. These activation institutions would mitigate the asymmetry of information to build trust between partners in the transaction chain that are necessary for initiating, planning, and conducting congresses. At the same time, specific activities should be undertaken to shape the value of congresses, including the conscious use of the unique role of congresses as a social institution, which is defined as a mechanism to solve important problems with the authorization from a given segment of society or representation of a professional specialty.
- The conclusions from this study suggest that the frequent placement of congress issues in public administration departments responsible for tourism (governmental, regional, and in the cities) does not support the full development of the congress market. Institutions supporting congresses (in particular the convention bureaus and the program of congress ambassadors) should be located in public structures responsible for science or the modern economy, as congresses are an integral part of knowledge-based development.

## **Conflict of interest**

The authors declare no conflict of interest.

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