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PRESS RELEASE

CONFERENCE TOURISM IN GREECE DEVELOPMENTS PROBLEMS OPPORTUNITIES AND POLICY

RIT presents the study of the researcher of Centre of Planning and Economic Research Mr. L Athanasiou with title: "Conference Tourism in Greece: Developments, Problems, Opportunities and Policy".

It is the first analysis of the role, importance and opportunities of conference tourism in our country and also of the promotion policy, in order to keep up with international evolution of conference activity.

This attempt is part of the general development of special forms of tourism, which are a key factor of development strategy of tourism sector in our country.

World and Greek conference tourism

1. According to existing data conference tourism accounts for 3-4% of total world foreign tourist arrivals and 6-7% of total inflow of tourism currency. In many small north-European and in some central-European countries as well as in most of European capitals or large cities, the economic contribution of conference tourism in tourism sector is higher compared to the average ratios mentioned above.
2. Based on data of the period 1987-99 regarding specialization in conference tourism, our country holds one of the last positions in Europe (1-2% of total conference events recorded by International Meetings Association (ICCA) the recent years). The development of conference tourism in Greece could be characterized as moderate.
3. The Capital accounts for around 40% of total conference activity the last years while the shares of Crete, Dodecanese and Macedonia are significant.
4. The development of conference activity in global level has a low growth rate (between 1 and 2%). In our country, conference activity varies the last years without a clear upward or downward trend.

5. Main conference services (scientific, professional etc.) are divided into two categories: association market, which is more than 50% of total conference activity and corporate market, with a lower ratio but higher per capita expenditure.
6. Conference tourism presents lower seasonality compared to total tourism activity as its activity is complementary to mass tourism.
7. The peak season of conference activity in Greece is the 3-month period of April-June (more than 40%). The 3-month period July-September is following (around 35%) and the 3-month period October-December (around 15 %). Conference activity is low during January-March, as tourism activity in total.
8. The average expenditure of a conference visitor by day is even 10-times higher of the corresponding expenditure of a tourist in general. Since the average length of stay of conference visitors is between 4 and 5 days, shorter compared to general tourism, the average expenditure by conference visitor remains higher compared to general tourism but to a lower degree (two to four-times higher).
9. The average number of conference participants in large events is between 500 and 1000 people. The average total number is significantly lower.
10. The average number of conference participants in Greece is lower compared to the world's average and is up to 170 people. This must be due to the limited number of large capacity conference rooms and low development level of conference tourism in our country.
11. Conference participation creates tourism services demand in destination country, such as extra overnight stays or trips of family members for leisure etc. In some countries for every overnight stay of a conference participant the trip is extended for another overnight stay.
12. Total capacity regarding conference events over 100 people in our country is around 150 thousand seats, greater than the corresponding demand. The rooms, of course, are usually multi-purpose and are often used for many other types of events (celebrations, performances, lectures, presentations, etc.).
13. The attraction of conference tourism depends on general and special infrastructure and trained staff, which are indicative of the development level of a country or an area.
14. Despite the responsibility concerning general infrastructure to support conference tourism, the public sector must contribute to:
 - Creation of large conference centers suitable for conference events
 - Creation of non-profit organizations, in cooperation with private sector, aiming to provide information and promote a city, country or area as destination for conference events

- ❑ Creation of specialized training systems regarding the organization of conference events by non-profit organizations (with the help or not of public sector) or by public sector
 - ❑ Subsidy to cover part of organization costs of international conference events, to attract conference tourism and increase the competitiveness of Greece compared to other countries
 - ❑ Investment subsidy for the creation of special conference infrastructure
 - ❑ Promotion and advertising
15. In Greece, the state is subsidizing only the construction of conference rooms and facilities of small or medium capacity and the contribution of public sector to conference tourism development is limited.
16. The most important is the establishment of general infrastructure. Especially in country Capital, the constructions for Olympic Games 2004 will improve the infrastructure of the area and attract among other, conference tourism.
17. Many units are active and politically present in the market of special forms of tourism and international forums regarding conference tourism. The development of this sector in our country is a result of those efforts.
18. However, public sector and team collaboration of private sector, which can play a significant role, should be encouraged.

Importance and development opportunities of conference tourism in Greece

19. Conference tourism contributes to the tourism sector not only concerning the number of visitors but also to the following:
- ❑ The average expenditure by conference visitor is higher than the average visitor, increasing tourism revenue
 - ❑ Conference tourism does not impressively affect total tourism flow, but it contributes to the reduction of seasonality. Due to the structure and costs of hotel units the improvement of occupancy rates has a positive impact on economic results and development of hotel sector
 - ❑ Conference events lead to a significant secondary increase in tourism flow
20. The relevantly limited demand for conference services combined with the absence of large corporations, the distance of our country from large centers and the impression of conference organizers regarding the quality of services lead to the conclusion that we must focus on the development of the sector. On the other hand, growth potentials are high, mainly due to the limited progress so far.

21. Conference tourism development contributes by approximately 0,5-0,75 percentage units to the average annual growth rate of the tourism sector, the time until 2010. The possible secondary increase in tourism activity caused by conference tourism has not been considered.

Policy

22. Development policy, economic and social infrastructure and effective operation of public services contribute to conference tourism development and improvement of the quality level of our country. The state must apply more specific measures in all the above-mentioned sectors, following the standards of many other countries.

23. The creation of a modern conference center in Attica is now a necessity, due to Olympic Games of 2004 and the need to promote tourism development.

24. The large, multipurpose, conference center in Attica must be designed, constructed and organized under standards that cover demand and facilities that are competitive with other countries. Solutions to reduce costs or for other reasons, are the worst option, as they will consume resources without meeting the corresponding need.

25. After the creation of the conference center in Athens, the prospect of creating a second center in Thessaloniki should be discussed.

26. Conference centers' construction should be driven by the needs of every area and not tradition and political motives, to achieve the development of the sector in our country.

27. Following the standards of other countries Conference and Hospitality Offices should be established in Athens and other tourist areas of the country to meet with the needs of conference hosts.

28. The creation of formal education and training structures regarding conference tourism in Greece is not recommended given the current situation. The creation of appropriate structure regarding tourism in general is a priority and conference tourism training could be a part of this effort.

29. Investment in conference structure should be included in the investment support system. Due to the fact that total supply exceeds total demand, investments should focus on the undeveloped forms of structure e.g. large size and high level units. It should be seriously considered whether it is appropriate to encourage the creation of medium- or medium-quality conference facilities with high grant rates, especially in areas with high supply.

30. State authorities such as e.g. Ministry of Culture or General Secretariat for Tourism of the Ministry of Development should collect information regarding conference events and their

coordination aiming to the development of conference tourism. An office for Conference and Hospitality could contribute to this effort.

31. The promotion and advertising of tourism in general has a limited impact to conference tourism. Public sector or a special program should promote this special form of tourism to the groups interested in conference services.

32. Cooperation, presence, collegiality and union are necessary to promote issues concerning every business in particular or the sector in total. A powerful and common for all entity should represent conference sector in Greece to achieve essential results.