

# The value of international meetings to the destination: a case study of triple disasters in 2011

Keiko Nishimoto

Student member, PhD candidate, Kyoto University Graduate School of Management  
(Yoshida Honmachi, Sakyo-ku, Kyoto 606-8501, Japan)  
E-mail: nishimoto.keiko.37c@st.kyoto-u.ac.jp

The value of international meetings has often been explained as the economic impact, while there are other important benefits such as politic effects, socio-cultural effects and tourism effects. The author is now working to establish the evaluation model on overall value of international meetings to the destination, not limited to the economic effects. The purpose of this study is to help destination marketing organizations (DMOs) to demonstrate the value of international meetings, in order to obtain supports from various stakeholders. This paper will focus on a case when Japan's inbound tourism was severely struck by triple disasters in 2011, and it clarifies that the international meeting can be a game changer in such critical situation, when it managed successfully.

**Key Words :** *International meetings, Kyoto, MICE, Reputation management, Risk management, Tourism*

## 1. INTRODUCTION

The value of international meetings has often been explained as the economic impact, while there are other important benefits such as politic effects, socio-cultural effects and tourism effects (Figure 1). The author, a professional meeting planner and also a PhD candidate at Kyoto University, is now working on the establishment of the evaluation model on the value of international meetings to the destination, as a PhD thesis. In the research plan, approx 40 case studies which differ in the type of meeting, size of meeting, geographical location and industry sector will be collected for this study to assess meeting benefits and value of various kinds. Benefits will be examined in two ways; as a snapshot effect right after the event, and also a long-term effect of 18 months after the event when applicable.

The purpose of this study is to help destination marketing organizations (DMOs) to demonstrate the value of meetings beyond economic impacts. Winning and hosting the international meetings are most strategic part of destination marketing, and it is the important role of DMOs to explain the value of meetings when they try to obtain supports from various stakeholders.

Type of effects	Value of international meetings to the destination	Snapshot effect	Effect after 18months
Economic effects	E-1 Direct expense by organizers and attendees	X	
	E-2 Economic ripple effect	X	X
	E-3 Job creation	X	X
	E-4 Increasing tax revenue	X	
	E-5 Increasing sales/opening up new markets/innovation	X	X
Politic effects	P-1 Promote diplomacy (both public and private)	X	X
	P-2 Branding of the destination	X	X
Socio-cultural effects	S-1 Shaping of destination image	X	X
	S-2 Improvement of infrastructure	X	X
	S-3 Social awareness for hospitality	X	X
	S-4 Understanding for different cultures and diversity	X	X
Tourism effects	T-1 Increasing business travellers	X	
	T-2 Generate business in off-season	X	
	T-3 Promotion of destination for business travellers		X
	T-4 Reputation management in critical situation	X	X

## 2. LITERATURE REVIEW

### (1) Legacy of the Games (2007)

As a previous study, in 2007 London East Research Institute (the University of East London) conducted a research assessing the legacy of the Olympic Games and Paralympic Games for Barcelona(1992), Atlanta(1996), Sydney(2000) and Athens(2004). While most economic impact studies have focused upon specific cities and events and have not utilised indicators that may be transposed easily from one host city to another, this study is meaningful because the IOC provides a comprehensive library of final reports and bid documentation for each summer Olympiad, utilising common indicators for all cities. However, this study cannot ap-

**Table 1** Value of international meetings to the destination

ply directly for the international meetings because the business model is different between sport events and international meetings.

## (2) Conceptual model by Asai (2014)

This is not an academic literature but in 2014 Shinsuke Asai, a practitioner in Japan, proposed to segment the value of MICE into (1) economic effect, (2) politic effect, (3) socio-cultural effect and (4) tourism effect. The concept model which author proposes (figure 1.) based on Asai's segmentation.

## (3) ICEBERG (2016 - )

From 2016, the University of Technology Sydney (UTS) has been conducting the value of meetings case study project which is named "ICEBERG" project, commissioned by Joint Meeting Industry Council (JMIC). Their approach is to collect meetings case studies from JMIC's member associations, review them by international board of academic experts, and to document the benefits, contributions and legacies of selected case studies. While there are many case studies prepared by industry for promotion purpose which is not supported by accurate data, ICEBERG is a joint approach between industry and academia, and an international board of academic experts in the field oversees the work. Adopting a sound methodological framework and using defined and accepted measures, ICEBERG will assess meeting outcomes in an academic manner so it will assist the meetings industry in convincingly arguing the value of meetings across stakeholder groups. However the project is still ongoing and the study is not always from the point of view from the destinations.

## (4) National study on economic effect in Japan (2017)

In April 2017, Japan Tourism Agency announced the result of economic study which they conducted in their fiscal year 2016 (April 2016 to March 2017). The study shows that the overall economic impact of international meetings in Japan reaches JPY 591 billion and also it calculates the average expenses of delegates from each category (size of cities/type of meetings). This is a first national study to evaluate the economic impact of international meetings, but again it focused upon single country and have not utilised common indicators that may be transposed easily from Japan to another country, and vice versa.

**Table 2** Average expenses of international meeting delegates

	Healthcare meetings		Non-healthcare meetings		JPY, per person
	Metropolitan areas	Others	Metropolitan areas	Others	
Resident in Japan	55,017	80,040	31,318		76,998
Non-resident in Japan	356,815	256,228	294,822		189,023
	Metropolitan areas includes:				
	(1) Greater Tokyo area (Tokyo, Kanagawa, Chiba, Saitama)				
	(2) Greater Nagoya area (Aichi, Gifu)				
	(3) Greater Osaka area (Osaka, Kyoto, Nara, Hyogo)				

## 3. CASE STUDY: ISTH 2011 KYOTO

The value beyond economic impact is usually difficult to identify in a normal situation, therefore, the case study on this paper was chosen from the period when Japan was in critical situation, after the Great Eastern Japan Earthquake and its related disaster in 2011.

### (1) The Great Eastern Japan Earthquake

The earthquake occurred at 14:46 JST on Friday March 11, 2011. It was a magnitude 9.0 undersea megathrust earthquake off the coast of Japan, which was the most powerful earthquake ever recorded to have hit Japan, and the fourth most powerful earthquake in the world since modern record-keeping began in 1900. The earthquake triggered powerful tsunami waves that reached heights of up to 40.5 meters, causing nearly 20,000 deaths or missing people, and more than 40,000 damaged buildings in the area. Even worse, two days after the earthquake, it became known that the Fukushima Daiichi nuclear power plant had significant damage, and there was partial meltdown with the levels of leaked radiation. The earthquake, tsunami and electrical power plant failure - these were the triple disasters to hit Japan in 2011.

### (2) Severe damage on tourism industry

Governments of many countries issued travel advisories about traveling to Japan, and many foreign residents were evacuated from the eastern part of Japan. Also, there were many international meetings and events cancelled or postponed, although most of them were not directly affected by the disaster. Foreign visitors and the expatriate community disappeared from Japan.

Significant uncertainty and concerns worried the Japanese nation, and Kyoto was not an exemption, although there was no direct impact in Kyoto, which is located more than 100km distance from epicentre and also Fukushima daiichi plant. On 2011/2Q (April-June), diffusion index of Kyoto city shows 31.6 for overall business and 14.3 for restaurants and hotels, while the neutral amount is 50.0. The city had been flourished as a major tourism destination, but faced the serious economic situation upon

triple disaster in 2011.

### (3) Decision made by professional community

However, an international association changed the mood. The International Society of Thrombosis and Haemostasis (ISTH), the medical scientists' association based in US, made a critical decision at their July 2011 meeting in Kyoto, which was only 4 months after the disaster. The organizer hired a third party, the risk assessment company based in Singapore, to make thoroughly analyse and obtain critical facts to make this decision.

The society had four alternatives: full cancellation; relocation to a different continent; postponement; or, continuation. Having carefully considered all available information and a detailed risk analysis, the council voted unanimously to keep the dates and location of the congress. Although the safety and well-being of the attendees, speakers and team was the prime consideration, the impact a withdrawal would have had on the Japanese at a time when they needed international support, was a close second.

### (4) Risk management of international meetings

However, continuation of the congress should be with solid risk management. Generally, there are four steps in the risk management of international meetings. (1) Risk assessment (identify risk), (2) risk analysis (analyse identified risks), (3) crisis planning (developing the risk management plan) and (4) crisis response (implementing, when needed, the planned responses to the specific crisis that occurs).

As a part of crisis planning, Japan Convention Services, Inc. (JCS), the appointed PCO for ISTH Kyoto congress, has already implemented the cloud system which enables employees to work from home without any delay even with electricity failures and paralyzed transportation. Moreover, they have provided AED / first aid training for all employees, and also prepared emergency protocol sections in staff manuals, so that the organizing committee members to be confident that all will be managed even if there were to be aftershocks.

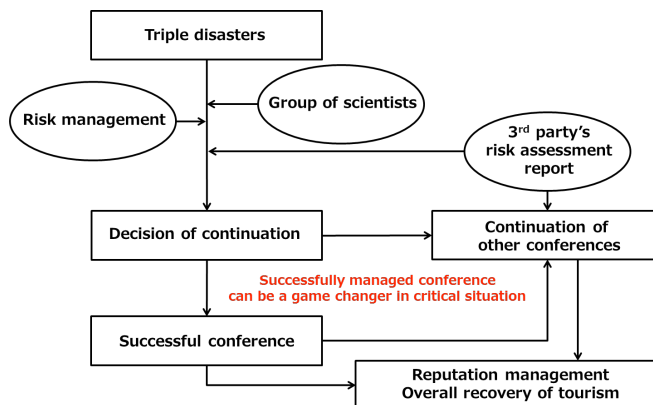
### (5) Meeting result and impact for destination

Risk assessment report was initially confidential, but later on the company agreed to share it on ISTH congress website to the public, so that it encouraged more members to attend the Kyoto congress. Afterwards, the congress filled the small ancient city with 4,600 international visitors for a week, which made local community to realize the importance of international meetings.

There was another significant effect of this publicized report. It also encouraged many organizers and professional communities who planned their

events in Japan, so the series of event cancellations had stopped.

Figure 1 Findings from ISTH Kyoto 2011 case



## 4. CONCLUSIONS

When we discuss the economic impact on table 1.(E-1), ISTH Kyoto congress brought 4,600 delegates from overseas, so if we apply the result of national economic study by JTA, its direct economic effect generated by inbound guests should be JPY 1.6 billion (JPY 356,815 x 4,600pax).

But the key finding of this case is, as it shown on table 1. (T-4), international meetings can play a role of reputation management in critical situation. When the meeting managed successfully, it can be a game changer in such situation. Key success factors on this case were (1) decision of continuation and attendance were made by group of scientists, (2) adequate risk management measures had taken, and (3) risk assessment report prepared by third party.

Exploiting max value from international meetings is something that isn't yet established systematically, therefore, collecting and also sharing successful case studies are quite important. While there is industry-academia case study project (ICEBERG) moving toward globally, more successful cases from Japan should be shared on a global platform, as Japan has history to conquer the challenges with its unique ideas, and those experiences and insights are worth sharing with global community.

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