

## Destination Network Management

### Developing a Meetings Industry Cluster in Helsingborg/Helsingør. Report commissioned by HH-samarbejdet.

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#### *Document Version*

Final published version

#### *Publication date:*

2009

#### *Citation for published version (APA):*

Gyimóthy, S., & Larson, M. (2009). *Destination Network Management: Developing a Meetings Industry Cluster in Helsingborg/Helsingør. Report commissioned by HH-samarbejdet.*

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# **Destination Network Management: Developing a Meetings Industry Cluster in Helsingborg/Helsingør**

Szilvia Gyimóthy and Mia Larson



Report commissioned by HH-samarbejdet

May 2009

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## 1. Executive Summary

This report presents the first results of the five-year research project; Regional Meeting Cluster Development, commissioned by the inter-community cooperation of Helsingør and Helsingborg [HH-samarbejdet]. The research questions focused on issues of feasibility of cross-border destination development for the meetings industry (also referred as MICE: meetings, incentives, conferences and exhibitions), revolving around three issues of cluster and network building:

- How does the regional meetings industry, both public and private actors, collaborate across administrative, cultural, institutional and political borders?
- How is a cross-border MICE network managed and organised?
- What are the criteria of successful meeting network development?

We have identified and interrogated 12 major players and organizations in the HH-region, in order to map cooperative activities, intentions or latent tensions among these. It was found that meetings clusters on both sides of the border are currently under development, almost independently from each other. The destination promotion of both Helsingborg and Helsingør has gone through several changes within the past 10 years, entailing both organizational and personnel changes. This implies, that the local tourism organizations are still in progress of building up visibility, trust and legitimacy among private tourism actors. Furthermore, the hotel network is weak in both cities; their meetings are characterized by tactical, rather than strategic collaboration. The organizational turbulence has led to a situation, where the main actors scarcely know each other, let alone established institutionalized communication or meeting platforms. Marketing collaborations among actors are confined to particular packages and simple joint promotional material. After some years of joint promotion between Helsingør and Helsingborg, the two destinations have turned away from the cross-border focus: today, each prioritize regional collaborative partnerships in Nordsjælland and Nordvestra Skåne. Neither are there close cooperations between accommodation and venue providers across the Sound. As for the meeting sector, the cities have not yet decided upon a clear market strategy and position, other than projecting capacity development (in terms of physical meeting infrastructure) independently from each other.

Although previous tourism history, the particular geographic position and the logic of scale economies support the development of a cross-border meeting destination between Helsingør and Helsingborg, we find that presently this is an unfeasible endeavour. It is recommendable to first consolidate and the network organization in each cities, strengthening the position of the local tourism (or convention) bureau, and only afterwards embark on a transnational destination collaboration.

## **1. 1. Introduction**

The Öresund region is undergoing a dynamic development process, fuelled by growing investments and intensified cross-border cooperation between Denmark and Sweden. The city governments of Helsingborg and Helsingør have a tradition of working together in a range of industrial sectors, of which tourism is a prominent field. Even though these cities are somewhat in the metropolitan shadow of Copenhagen in many aspects, they attempt to reach a more significant position by revitalizing business and cultural relationships between each other. The HH region possesses first-rate potentials for successful development of new industry clusters, such as natural and cultural attractions, well-developed hospitality infrastructure, geographical proximity between the cities as well as political determination to pursue cooperation across the Sound.

The development of corporate business tourism (meetings) is a strategic priority in both Denmark and Sweden, owing to the profitability and spending patterns of corporate travellers. However, the competition to host conferences, congresses and other business meetings and events has become fiercer among European urban destinations. In order to attract business tourists, there is a need of attractive and high quality MICE products, as well as extensive distributional infrastructure and sophisticated marketing activities. A strong regional network, including both competing and complementing actors, and an active regional destination marketing organisation is then essential. For smaller cities, such as Helsingør and Helsingborg, it can be fruitful to build a cross-country regional MICE network, and thereby together strive for building a strong, positive reputation for arranging successful conferences and congresses. The research project "H/H-Regional MICE Cluster Development" intends to describe, analyse and give input to such development process.

Since the mid-nineties, European urban destinations have intensified their efforts in the competition to attract corporate travelers attending conventions and business meetings. In the course of this development Scandinavian cities have embarked on a process of building formal collaborative networks within the local meetings industry, resulting in the establishment of Convention Visitor Bureaux (CVBs) or destination development organisations and tourist bureaux also undertaking CVB activities. Collaborative regional networks have been long considered as a must in successful tourism development (Dredge & Jenkins 2003; Saxena 2005; Tremblay 1998) owing to benefits such as scale and scope economics, as well as joint planning, bidding and coordination of facilities. Business tourism development is a collaborative endeavour that takes a long-term involvement from both public and private organisations.

However, the setting up and governance of destination networks is paved with managerial challenges, including, among others: the balancing of conflicting stakeholder interest (Wilkinson & March 2008),

and bridging over the gap between the bureaucratic culture of public administration and the marketing culture adopted by private tourism firms (Palmer 1996). This regional coordinating role must be undertaken in spite of limited ownership, budget or power to control how individual firms deliver (Hartl 2003). Furthermore, various actors of a destination (municipalities, attractions, conference venues or hotels) are at the same time members of a range of other professional groupings, associations or chains, which simultaneously also perform promotional activities that are not conformed or harmonised with that of Destination Management Organisations (DMOs) or Convention Bureaux. These conditions lead to ambiguity and conflicts regarding strategic planning, authoritative decision making, development of a clear destination brand identity and unanimous support during destination brand delivery. Lacking the predictability of corporate organisational structures, DMOs perpetually face issues on legitimacy, transparency, equity, identification and loyalty.

## ***1.2. Project goals and research design***

This project, [Destination Network Management], analyses the current organisational status of the meeting industry in Helsingborg and Helsingør, respectively, in order to examine the potential of a joined cross-border meeting destination. Specific areas to be illuminated are:

- How does the regional meetings industry, both public and private actors, collaborate across administrative, cultural, institutional and political borders?
- How is a cross-border MICE network managed and organised?
- What are the criteria of successful meeting network development?
- Identify the interest for a cross-border meeting network in the HH-region.

We have investigated the attitudes and networking activities among main MICE-actors in both cities. The most prominent actors form the so called *destination promotion triad* (Sheenan, Ritchie & Hudson 2007), an analytical model that we have used throughout our study. These authors maintain that the key of successful destination promotion lies in how well members of the triad (the DMO and its two most powerful stakeholders (the city administration and the hotels) relate to one another and combine their complementary resources. As each member of the triad possesses specific resources, and performs a unique role, the destination triad is described as an asymmetrical interdependent relationship (ibid.). Contrasted to hierarchical constellations (e.g. public bureaucratic or corporate organizational models), the destination promotion triad highlights the paradoxes of a tourism network organization, where both competing stakeholder interests and public administrative agendas must be balanced.

The data sampling followed the triad model, and resulted in 12 in-depth interviews with the CVBs (or equivalent), the city administration and the largest hotels (Table 1). We have asked whether these actors already collaborate at all, - and if yes, how do they assess the meeting network in Helsingborg and Helsingør as well as between the two cities? Are there any problematic aspects or tensions of

collaboration? Furthermore we have interrogated representatives of Meeting Place Copenhagen and a professional meeting planner on regional trends and opportunities: what is the market viability of a HH-destination? Apart from the qualitative in-depth interviews, we have also conducted observations on the project kickoff workshop (May 2008) and the MICE-section meeting within the project Destination Nordsjælland (August 2008). Our findings delineate the course of action for the community collaboration of Helsingør-Helsingborg (HH-samarbejdet) as well as the other municipal departments concerning corporate/business tourism development in the region.

<b>Interviews in Denmark</b>	<b>Interviews in Sweden</b>
Comwell Borupgaard, director	Hotel Elite Marina Plaza, director
Hotel Marienlyst, director	Grand Hotel Clarion Collection, director
Head of Chamber of Commerce, Helsingør	Hotel Kärnen, director, head of hotel network
LO-skolen, director	Head of strategic development, Helsingborg
Destination Nordsjælland, MICE-consultant	Head of Congress Helsingborg
Meeting Place Copenhagen, Sales director	SKD Congrex, Director (Lund)

*Table 1. Respondent list*

## **2. Current trends in Øresunds meetings industry**

The meetings market today can be divided into three larger segments, based on visiting purpose. These are *Corporate Meetings* (standing for assemblies, incentive tours organised primarily for members of private firms); *Associations' Meetings* (standing for conventions and congresses held by national or international organisations, non-profit bodies and academia) and *Events* (which, in this case covers exhibitions, political summits as well as the business segment of festivals, concerts and sport championships). Concerning size, Corporate Meetings can vary from 2 to 1000 participants, while Associations Meetings and Events normally are larger, ranging from 100 to several thousands of delegates. According to SHIE (Scandinavian Hospitality Incentive and Event Exhibition) trend barometer 2007, over 70% of Swedish corporate meetings are small, counting between 2-50 participants. International analysts view that the demand trends are moving towards smaller and shorter meetings (cf. Indian Institute of Management 2008); although the frequency of meetings are increasing. Owing to the current global economic recession, companies are more budget conscious, than ever, and look for cheaper meeting alternatives, for instance, in-house conferences or complementary videoconferencing technologies.

Smaller corporate meetings are often managed by an in-house corporate travel manager, while the organisation of larger meetings is outsourced to professional meeting planners (PCOs-Professional

Congress Organisers, Incoming Bureaux and Incentive Houses). These are specialist coordinators and project leaders assisting during the entire process and act as intermediaries between the corporate buyer and suppliers (hotels, airports, restaurants, meeting facilities, etc.). In the Øresund region there are about 10-15 specialised operators, of which Congrex Group is one of the largest players.



Figure 1. Meeting Market Segments

The Swedish meeting sector is currently experiencing an unprecedented 6% growth annually, realising 43,7 billion Swedish Crowns in 2007. According to NUTEK (2008), 4,9 million overnight stays can be accounted to domestic business travellers, of which the majority belong to the corporate meeting segment. Owing to the eminence of the knowledge and research sector as well as political stability, Sweden is an attractive international conference location, hosting 163 international conventions and 107.000 delegates in 2008. As such, Sweden stepped forward to a 17<sup>th</sup> place on the global congress ranking list of the International Congress and Convention Association (ICCA destination ranking 2008, based on number of meetings realised). Achieving a better position on the list would require the ability to host larger assemblies (of over 5000 delegates), or smaller conferences and events simultaneously, but both of these options are currently impeded by capacity constraints.

Swedish and Danish cities are thus investing massively into new meeting venues, to an extent that trend analysts at Meetings International refer to an “arena boom”. In the past two years, 18 cities have invested 111 billion Crowns to build multi-purpose venues (commonly referred to as multi-arenas), which are able to host both sporting and meeting events. Meeting suppliers are also becoming more formalised and diversified. After a decade of mergers and takeovers, the professional meeting organisers’ (PCO) market is consolidating; leaving only two large (global) players in Sweden: MCI and Congrex. Simultaneously, there is a boom in new types of independent planners and specialised suppliers, including event and booking bureaux, meeting coaches, facilitators and private education centres. These actors offer new forms of service innovations, which not only entail technological developments but also patented concepts like *Meetovation* (Danish Tourism Board) or *Meeting Designers* (Comwell). This also marks an expansion of business focus, shifting from *logistic solutions* (the delivery of facilities, food and beverages) to consulting on the meetings’ *content* by delivering tailored, knowledge-based services.

In the wake of the general economic upswing until 2008, the Scandinavian hotel market went through a record growth since 2005. Both accommodation volume and prices increased by an explosive pace, particularly in the urban centres of Stockholm, Copenhagen, Göteborg and Malmö. Average room rates (ARR) in Sweden rose by 12% (827 SEK) since 2000 (Alexanderson & Hirsch 2007), which is three percent points more than the average price increase in Sweden. The accommodation capacity in Stockholm grew by 30% in the past six years, which is almost three times higher than the average national growth rate. International franchisors are entering the Nordic hotel market and sign an unprecedented number of contracts with local operators, like the Scandinavian Hotel Group. Looking at the operating profiles of new or planned establishments, the trend is moving towards a diversified hotel market, introducing new concepts, like extended hotel stays, executive apartments, specialised conference centres and lifestyle hotels to Scandinavian customers.

Excess meeting capacity and the proliferation of new entrepreneurs necessitated the emergence of a regional coordinating body, as a legitimate (and independent) representative of a meeting destination. Local development companies and tourist boards have begun to open Convention Bureaux, specialised in attracting corporate planners and in managing first-time booking requests (so-called leads). Public-private partnerships and network constellations are now developing or being consolidated around the capital cities and regional centres (Stockholm, Göteborg, Umeå, Uppsala, Gotland, Luleå, Jönköping, Örebro, Östersund and Malmö). Meetings International (2008) predicts that within the next five years, most of these will be ICCA-certified, and Sweden may open its first national convention bureau. On the Danish side, Meeting Place Copenhagen (secretariat based at Wonderful Copenhagen) is an ICCA-certified Convention Bureau and harvested several global tourism awards for its innovative network organisation.

### ***2.1. The regional organisation of Øresund's meeting industry***

As meetings are predominantly an urban tourism segment, the largest players as well as the regional coordination of the Øresund's meeting industry is located in Copenhagen. The metropol's convention bureau, Meeting Place Copenhagen (a part of Wonderful Copenhagen) is indisputably a dominant actor, undertaking marketing and coordinating activities for the destination's meeting actors. It has been established in the mid-1990ies, initiated by three hotel directors, who aimed at raising occupancy levels all year round. It is co-financed by public and private actors, the latter contributing with differentiated membership fees according to size and membership category. The legacy and organizational design of Meeting Place Copenhagen entails that the organization works along short-term, set economic goals, being able to monitor effectiveness and report activity results back to its members. Meeting Place Copenhagen arranges several general and thematic meetings for its members during a year, which facilitates a close dialog about mutual expectations and future plans. Copenhagen is an international meeting hub, currently taking the 11<sup>th</sup> position on the ICCA ranking list. The secretariat leader of MPC explains that this is a long-term investment.

“You need lots of resources to put a destination on the global map of meetings: participation in fairs, market intelligence, new webplatforms, campaigns all these activities must be rationalised and centralised”

In the past ten years, Malmö has also strengthened its position and image as a meeting destination, realizing strong growth in terms of hosting meeting and events in particular. Malmö’s Convention Bureau is currently going through a certification process by ICCA. One of the regional PCOs stress the importance of network development:

“It is very important that the city administration takes an active role... I don’t think that anyone else [private actor] can do it and set up a network, if the city is not involved, because they will be counteracted by their competitors. They city must be a partner, because it is the only actor that plays a neutral role.” (PCO, Lund)

However, while the regional metropolis (Copenhagen and Malmö) reported record growth in both meeting delegates and meetings-related turnover, the metropolitan fringe has experienced decline. Incomes associated with MICE-tourism have been reduced by 1,1% between 2003-2008 in Nordsjælland (MICE meeting, Destination Nordsjælland). Helsingborg maintained occupancy levels but has not taken part of the regional growth - and this is regarded as a result of capacity limitations. As our respondents observed:

”Fantastic arenas are being built now around Sweden, but Helsingborg has not really followed up to match it.” (Hotel, Helsingborg)

“In the past 3-4 years Malmö has become very good at selling itself as a destination. Compared to Lund or Helsingborg, which cannot be regarded as conference cities, really.... (PCO, Lund)

In order to identify some of the reasons for this, the next sections will provide an overview of both Helsingør’s and Helsingborg’s meeting industry, discussing the behaviour and opinion of various local actors in each city. Furthermore, attitudes towards cross-border relationships are also discussed.

## ***2.2. Helsingør’s meeting industry***

### *2.2.1. Meetings in Helsingør*

The meetings taking place in Helsingør vary from small corporate meetings (20-40) to conferences up to 300-400 delegates. The destination targets the Copenhagen/Øresund corporate meetings market (including Southern Sweden) and attracts the regional headquarters of international companies. To a lesser degree, Helsingør is also positioned on the associations/political summits market, owing to its retreat/”refuge” characteristics as a meetings destination.

The interviewees consider that Helsingør have a great potential to grow as a creative culture and events destination and highlight the short distances to Copenhagen as a unique strength. Regarding meeting and overnight facilities, Helsingør's capacity has been rather stable (ca. 1600 rooms) distributed within a radius of 4 kilometres (entailing the three largest meeting venues, Comwell Borupgård (350), LO-skolen (260) and Hotel Marienlyst (415) and some smaller hotels). There have been published city development plans concerning a rejuvenation of the Docking/Shipyard -area, including a multipurpose cultural centre [Kulturværftet] as well as building additional meeting/hotel infrastructure for over 1000 delegates around Sommariva. Despite this capacity development, the destination does not have the ambition to be a congress hub; rather, the vision is to be “*the most innovative meeting destination in Denmark*”.

### 2.2.2. Actors

Apart from the three large hotels with a clear meetings profile, the local tourist organization also runs a separate department, Conference and Event Helsingør (KEH), with a long experience in event-organizing. The tourist organization used to function under Udvikling Nord (a private organization, subcontracted by the municipality) and has one employee who is primarily working with the Conference and Event function. It has been reintegrated into the newly established public-private organization, Vækst & Viden (VV) since 1<sup>st</sup> January 2009. Private firms including the meeting actors in Helsingør pay a membership fee for Vækst & Viden and hence indirectly finance the tourism organization. There are big expectations towards this new trade policy initiative, but some hotels are also sceptical towards a municipality-run convention bureau:

“It must be driven by the private actors... if it is run by the public administration, it will become too bureaucratic.” (Hotel, Helsingør)

There are regional PCO's and event companies (for example Sirius), that local actors contract during a conference, but hotels also have their own in-house meeting specialists. The main actors prefer to hire regional companies from Denmark. Public transport access of the destination is excellent, having 3-4 hourly train connections to the capital and Kastrup airport as well as 3 ferry lines between Helsingborg and Helsingør. Apart from the conference hotels, Kronborg castle and the yet-to-be constructed Kulturværft has a considerable potential in realizing the city's vision on meetings development.

### 2.2.3. Structure and relationships

Currently, local hotels are members of Vækst & Viden, but a specialized local meeting network or convention bureau is not yet a reality. Instead, they are affiliated with regional and national umbrella

organizations, like Meeting Place Copenhagen and DKBS (Danish Conference Centres). Sales and marketing activities are undertaken by own sales departments and the hotels have their own market plan. The hotel managers have been appointed 1-2 years ago, hence they have only recently begun to look at each other to make shared strategies for the future. As there are no local meetings coordinating body, each hotel runs its own business self-sufficiently. Although there is a positive attitude towards cooperation (which has been significantly facilitated by the Destination Nordsjælland project), trust is not present yet.

“We share customers, and help each other but we do not talk marketing cooperation [...] we have each our own business, and keep our cards close to protect the concept. We are not interested in playing with open cards” (Hotel, Helsingør)

Today the dialogue and relationships towards the tourism bureau is very limited or about to be restarted:

“We have a tourist bureau that has its own life. Of course there is some connection, but I do not feel that there is a strong cooperation. It is nonexistent towards the commercial actors; at least, this is my impression.” (Interviewee hotel)

“We have just initiated contact with the tourist bureau. We have not had any in a long period, which was a shame, but I have now taken the initiative to restart a relationship. But I have the impression that they would like to help us and may be an active working partner to convey us some business.” (Interviewee hotel)

## ***2.3. Helsingborg's meeting industry***

### *2.3.1. Meetings in Helsingborg*

The meetings taking place in Helsingborg are mostly small – 20-40 persons. The largest meeting held in 2008 consisted of 2600 participants. The destination targets the domestic market, not the international, except in a few instances Denmark. The largest venue, Konserthuset, holds 835 persons and Stadsteatern holds 600. Regarding the hotel facilities they have not changed in the last 20 years, according to one interviewee there are the same amount of hotels, hotel rooms and the same amount of bookings.

The interviewees consider that Helsingborg have a great potential to grow as a meetings destination. They think that Helsingborg differ from other destinations in terms of the closeness to Denmark and

access to water. Moreover, the closeness between hotels, venues and restaurants within the city is a unique strength.

### *2.3.2. Actors*

The Helsingborg meeting industry network of today consists of three main actors – the municipality, Konferens och Kongress Helsingborg (KKH, Conference and Congress Helsingborg) and the hotels. KKH is a department within the municipality and markets Helsingborg as a meetings destination. The department functions as a convention bureau although is financed fully by the municipality. It has members connected to it, hotels and restaurants, paying a symbolic member fee. The department employs one person. Hotellgruppen (The Hotel Group) consists of 13 hotels in Helsingborg. The members pay a small fee in relation to how many rooms they have. The group meets at least five times a year discussing mutual problems/opportunities.

PCO's and event companies organizing conferences, congresses and events in Helsingborg, such as Upplivelsebyrå, Konferensproducenterna, are also part of the network. The main actors prefer to hire local companies operating in Helsingborg. Moreover, there are transport companies, such as Scandlines, the ferry-line between Helsingborg and Helsingør, and Ängelholm airport, the closest airport to Helsingborg. Furthermore, there are three main venues, Stadsteatern (theatre), Konserthuset (concert hall) and Dunkers (culture house).

### *2.3.3. Structure*

Currently, actors are not organized in a formal organisation. In 1995 an organisation called Visit Helsingborg was established. It functioned like a Convention Bureau and organized Hotellgruppen (hotels), Cityföreningen (the city association), transporters, event companies, the harbour, the municipality and property owners etc. The hotels paid about 50 - 70 000 SKR as a share into the company. The intention was to be able to co-ordinate requests on large meetings and attract new business. The hotels and the municipality were actively marketing the destination by for instance participating in trade fairs and workshops. Visit Helsingborg also organized its own trade fair three years in a row.

“We did this together and got a very positive result.” (Interviewee municipality)

However, in mid -00 the corporation was terminated and Visit Helsingborg was reintegrated into the City Administration. The reasons for this reorganization could also lie in the challenges of managing a public-private network organization.

“Possibly the industry had a too big share in it. You can say that my predecessor was more or less strangled. ... There were too many wills and too many bosses in the project, or that regarded themselves as bosses.” (Interviewee KKH)

The hotels consider it a mistake to close down Visit Helsingborg as a shareholder’s company.

“Some years ago the Hotel Group was shareholding owner in Visit Helsingborg when it was a corporation. Then we had a share there and then we were more active in what happened and because we had a share we were also attending the meetings. Then we could join and influence and both give and get information. It is not the same now.” (Interviewee hotel)

“The Hotel Group did not want it (to close it down). You started to see that now we are on the right track but, yes, begin all over again. The city is an expert in that, to start from the beginning. ... So then you started from zero again.” (Interviewee hotel)

There are different opinions on how a network organisation should be organized.

“The whole process (Visit Helsingborg) we have already gone through and it never turned out really well. I think many would react; it will be like last time. Do something new this time.” (Interviewee hotel)

“This (Visit Helsingborg) will start over again I hope. ... I spoke to the municipal commissioner today and he promised to deal with it so the idea is to start a Destination Helsingborg in August, he promised but nothing is official and that is my contribution to it. I have said that we want to join.” (Interviewee hotel)

“This is a much better way to work (the current way).” (Interviewee municipality)

The hotels consider that today there is no coordinating organisation responsible for the meetings industry.

“There are no networks in Helsingborg today. ... We experience that there are too many actors, frankly said, it is bad. There is nothing connected to no one. There should really be an organisation you can turn to so they have answers on everything. ... Everyone works with their own issues but no one has the umbrella structure.” (Interviewee hotel)

#### *2.3.4. Resources*

Kongress and Konferens Helsingborg should be a vital co-ordinating actor. However, at present there are very few resources allocated to the organisation. The sole person employed has time only to deal with operative issues and therefore no strategic development takes place.

“She (person employed at KKH) runs and yells as someone in the desert. She is so to speak alone. Where the connection to everything, there is no impact. I miss that. She is really nice, I suppose she does what she can and have the energy to do.” (Interviewee hotel)

“I actually do too much and now we are in a phase where I really do not manage because I don’t have time. ... Somebody must be able to work more on the strategic development, the planning” (Interviewee KKH)

Facilities for large congresses are lacking in Helsingborg. There have been discussions for at least 20 years to build a congress building. Most interviewees had the opinion that Helsingborg should invest in a congress building.

“My opinion, and the industry out there thinks that too, that the cities that work well and win biddings, are the one with a congress house.” (Interviewee KKH)

“We want the politicians to decide for a congress building. We have to have that in place and take that step. Then we can start to work.” (Interviewee municipality)

However there are different opinions. One states that it is not the facilities that are the problem and that there already are three venues.

“To build with bricks, that doesn’t bring fortune, but what is successful is those who find opportunities in what exists instead of seeing difficulties. Today you see problems to much.” (Interviewee hotel)

One interviewee also considered there to be lack of restaurants holding large groups, particularly when different alternatives should be offered on different evenings in the case there is a congress for several days.

### *2.3.5. Relationships*

The interviewees state that the relationships overall are dysfunctional. There are many frictions and tensions and opportunistic behaviour. First of all the relationship between the hotels and the municipality is problematic.

“The (the hotels) are always whining and never satisfied. If one does not have one hundred percent reservations you can always blame some one else. ... I feel that they want to have control. We get to hear very often, what are you doing there in the municipality. It is as if they think we are sitting and rolling our thumbs. ... The only feedback I get is from the customers. I frankly never feel that I get acknowledgement from the hotels. (Interviewee KKH)

“It (the cooperation with the municipality) is rather bureaucratic. There are slow decisions and ways to handle things. “ (Interviewee hotel)

“They (the municipality) are very slow started” (Interviewee hotel)

There are views that the venues do not prioritize meetings. They are not considered as flexible in terms of booking in advance.

“If there is a booking to the Konserthuset and it is in two years time they say that we do not know if we have a concert that date in two years time.” (Interviewee KKH)

There is an understanding among the interviewees that it is up to the politicians to focus on the meetings industry more. It is considered that the politicians don't have an interest in the meetings industry. There is also a problem with continuity due to the fact that politicians are changing every fourth year.

Hotellgruppen and the municipality meet twice a year to discuss strategic issues and large meetings/events. According to an interviewee there is interest for cooperation although it rarely takes place.

“To conclude, I feel a bit frustrated because nothing is happening. I think that after twenty years it is almost the same questions we are working on.” (Interviewee hotel)

The hotels think it is up to the municipality to act upon developing Helsingborg as a meetings destination.

Somebody must take it on and I still think the municipality must be the main actor” (Interviewee hotel)

#### ***2.4. Cross-border cooperation***

Many of the interviewees in Helsingborg stated that the proximity to Denmark is an important factor that contributes to the uniqueness of Helsingborg as a destination. Most of them saw a vision of connecting the destinations, although the current situation makes it difficult.

“It is absolutely possible to have a conference one day in Denmark and one day in Sweden, so you connect the whole thing. That is the future vision.... Together you can go you to an international market.” (Interviewee, municipality)

I think we must (co-operate with Denmark). I don't think we have a choice. I don't think we are talking about so many years either, the city must wake up. If you wait five years it is too late. ... Then I actually think the destination is the Öresund region, maybe not only Helsingborg/Helsingör.” (Interviewee hotel)

However, cooperation over the sound does not exist. Very few contacts are taken between the municipalities regarding meetings. The KKH manager claims that she has no contact with the Danish side other than exchanging agent manuals. Neither are there contacts between other actors and there is an apathic attitude that “someone else should do the job”.

“I think it is very very strange that the shops does not take action to us in Helsingborg ... They could call upon us hotels to try to make us recommend our guests to visit their shopping centre or shop.” (Interviewee hotel)

A handful hotels co-operate with Helsingør and I want some central coordination!!! There should be an overall direction, objective and activity plan for this. (Hotel, Helsingborg)

“We have a commercial relationship with another hotel in Helsingborg based on selling each other’s products, but this is not a formal cooperation, where we support each other or co-finance a common cause. (Hotel, Helsingør)

On the Danish side of the Sound, there is a more distanced attitude towards cross-border cooperation and respondents fear that multiple partnerships may be too demanding:

“We have not listed Helsingborg as partners in this project, because we are very myopic [ensporede] right now” (Destination Nordsjælland, MICE groupmeeting)

“We can either focus on the cooperation in Destination Nordsjælland or H-H, not both!” (hotel, Helsingør)

“I cannot tell here and now that we have a concrete idea concerning cooperation with Helsingborg. Because we cannot do everything at once. We cannot be best friends with Helsingborg, parallely that we cooperate with Copenhagen and that we plan to work more closely with Hillerød. We cannot manage all contacts at the same time”. (Chamber of Commerce, Helsingør)

Some actors are also sceptical about the market value and feasibility of a cross-border cooperation:

“You mustn’t forget that you must deal with another country and another tourism policy and another market strategy – before these issues are harmonized, we cannot cooperate in practice.”(hotel Helsingør)

“From a logistical point of view, there is a considerable distance between Helsingør and Helsingborg [...] If I wanted to book a hotel or venue adjoining a conference in Helsingborg, I’d rather put Lund or Malmö in the offer. ” (PCO, Lund)

### **3. Discussion of the findings**

Until recently the success of meeting destinations (fuelled by quantitative ranking lists) were always attributed to tangible assets and destination characteristics. Of these, the following conditions dominate:

- ”Hub features” (political, financial, transport or administrative centres)
- Destination’s tourism brand, cultural heritage, history and atmosphere

- Meeting infrastructure (both in terms of capacity and flexibility)
- "A compact city that works" (good public transport and flight connections)
- Safety, neutrality

Furthermore, behind every successful meeting destination (Copenhagen, Göteborg, Vienna), there is often a convention bureau that has gained deep trust and legitimacy in the local destination network. It is run by a small group of "veterans" (professionals staying in the same position for 20-25 years) who managed to mobilize and connect public and private actors of varying size into a tight destination network. This might give the answer to why neither Helsingborg nor Helsingør succeeded in profiling themselves as regional meeting hubs – even though most of the physical and atmosphere conditions are present today.

*The destination promotion triad*, i.e. the cooperation between the city administration, the convention bureau (or equivalent) and the large hotels, is not functioning optionally in either cities. In the past decade, there has been a turbulence around the organisational form, structure and financing of the convention/tourism bureau on both sides, which resulted in that there is little formal dialogue with the hotels. In Helsingborg, the Hotel Group is a solid network, although they address mostly tactical issues during their meetings and do not lobby for tourism development on political fora. Several members are unconvinced about KKH and expect its employee to carry out booking functions rather than to play a coordinatory role. In Helsingør, the hotels manage meeting sales and marketing through the regional/metropolitan network (for example, Meeting Place Copenhagen) or their own corporate channels (Comwell), therefore they are not in acute need of a local convention bureau. There is no formal hotel network in Helsingør, but the hotels co-operate on an informal, operational level.

The municipality-run conference bureaux (Konference & Event Helsingør and Kongress & Konferens Helsingborg) must establish a more frequent and transparent dialogue with the private actors in respective cities –enabling more realistic expectations from these. In order to earn the trust of hotels and venues, annual activity plans and statistic reports must be produced, concerning campaign efficiency, envisaged and realized bookings. Without regular meetings and visible results, hotels will remain sceptical about the merits and significance of a neutral coordinating agent. However, to strengthen the position of the local tourism/convention bureau, there is a need for organizational stability as well as continuity on the personal level. Stronger political support and acknowledgement must be given to the local tourism and meeting industry, and there is a need for symbolic handlings (e.g. annual awards). Furthermore, it is vital to improve the working conditions of the conference coordinators/bureaux, so that they have the resources necessary to perform the strategic tasks mentioned above as well. Today, there is no room for market intelligence or networking activities, and without these, no strong relationships can be established in the destination promotion triad.

Although previous tourism history, the particular geographic position and the logic of scale economies support the development of a cross-border meeting destination between Helsingør and Helsingborg, we find that presently bigger priority must be given to consolidate the network organization in each city - and only afterwards embark on a transnational destination collaboration. At this time, there are no staff resources in any of the local organizations (KKH and KEH) who have the time work with a strategic coordination of cross-border destination. There is a potential of developing innovative cross-border meeting products, but it is important to note, that the two cities have differing market strategies and meeting products: Helsingborg positions itself on the domestic corporate market, while Helsingør, owing its proximity and “refuge” location (in the backyard of Copenhagen), attempts to skim the international market. The city administrations have growth visions, and expect that the physical capacity developments in the near future would result in large congress attendances. Today, it seems that these developments have been largely implemented independently of each other, and the two cities may risk of becoming each other’s competitors as regional meeting hubs in the metropolitan fringe. Hence, it would be advisable to define clearly the niche positions and advantages of Helsingør and Helsingborg and develop a market strategy that could work for both.

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