

EXPERIENTIAL TRAVEL IN BUSINESS TOURISM IN BUDAPEST - CHALLENGES IN MANAGING CONFERENCES AND EVENTS

ÉLMÉNYALAPÚ UTAZÁS A BUDAPESTRE IRÁNYULÓ ÜZLETI TURIZMUSBAN- A KONFERENCIA- ÉS ESEMÉNYSZERVEZÉS KIHÍVÁSAI

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Abstract

Searching for authentic, local experience have been a dynamically growing trend in tourism. The picture is further compounded by the fact that today's travelers are no longer satisfied with viewing the cultural heritage of the place they are visiting, but are looking for an engaging experience, instead of passive observation, through which they can become part of the local community and culture and experience the authentic lifestyle. The so-called experiential travel is the driver for product development particularly in urban destinations. The authors' assumption is that experiential travel can be a motivation not only at leisure tourism but for business tourists, in this paper, particularly, the conference tourists, as well. The objective of the research introduced in this paper is to analyze the motivations and re-visit intentions of conference tourists on a big sample of 102 responses, further on to find out how the experiential travel can drive the activities during and after conferences. Further on management or organizers implications are crystallized to solve the questions arisen by the results due to the time limit of the business tourists.

Keywords: experiential travel, business tourism, managing conference and events

Absztrakt

Az elmúlt időszakban dinamikusan növekvő trenddé vált az autentikus és az adott helyre jellemző élmények keresése a turizmusban. A jelenség kiegészül azzal a ténnyel is, hogy a mai kor utazói többé már nem elégszenek meg az általuk meglátogatott kulturális örökség megtekintésével, életre szóló élményt keresnek a passzív megfigyelés helyett, amelyen keresztül a helyi közösség, kultúra tagjaivá válhatnak és megtapasztalhatják az adott hely autentikus atmoszféráját. Mindez az úgynevezett élményalapú utazás fogalomkörébe tartozik, ami a mozgatórugója a desztinációs termékfejlesztésnek, különösen a városi turizmusban. A szerzők feltételezése az, hogy az élményalapú utazás nemcsak a pihenésre vágyó turisták, hanem az üzleti turizmus résztvevőinek, jelen tanulmányban a konferenciaturisták utazásait is motiválja. A tanulmányban bemutatott kutatás célja, hogy elemezze az üzleti úton résztvevők motivációit és visszatérési hajlandóságát 102 válaszon keresztül, és továbbá azt, hogyan tudja az élményalapú turizmus a konferencia alatt és után lévő tevékenységeket meghatározni. Végül kikristályosodnak azon rendezvényszervezési menedzsment implikációk, amelyek megoldják az üzleti utazók rövid tartózkodási idejéből adódó kérdéseket, problémákat.

Kulcsszavak: élményturizmus, üzleti turizmus, konferencia- és rendezvényszervezés

Introduction

Today's travelers can come to a city with a variety of travel motivations, and they typically want to concentrate their experiences and choose programs based on these motivations. That is why city tourism can be a very complex tourism product including a list of different tourism experiences starting from cultural tourism, sightseeing, through visiting spas and parties and of course gastronomy, as the popular way of 'tasting culture'. Further on the trend of finding experience- and emotion-oriented programs, bring much more interaction and enjoyment of the local atmosphere with the need of alternative, 'off the beaten track' products. However business tourism is commonly known as a rather limited tourism product by time and obligations, the trends of today travelers on duty show that there can be a place for experiential tourism activities during or after the business trip, in leisure time or at returning to the destination. In the tourism of Budapest, in the latest decade several developments can be seen not only in the area of the tourism infrastructure but in the variety of creative programs, alternative guided tours or in the aspect of gastronomy. As business tourists are among the most important target segments of the city, it is important to get to know their requirements so as to offer suitable product packages for them. That is the reason why the central question of this paper is how do business travelers experience the city of Budapest and what kind of alternative programs do they search for.

1. Theoretical background

1.1 Changing motivations of visiting cities

Searching for involvement and a deeper connection with its culture is among the most important trends impacting city tourism. The so called experiential travel can be as follows: "This phenomenon is commonly referred to as 'Experiential Travel' and is arguably the most significant, systemic trend in global travel. The term typically encompasses the notion of a more immersive, authentic and local and/or active travel experience. While it could be argued that travel is inherently experiential, the significance in this context is the shift towards the mainstream. An increasing number of people want to travel on a deeper emotional and more personal level and are turning their backs on pre-arranged package holidays" (Bock, 2015:19).

Cultural tourism is among the most relevant tourism products in cities, with the highest popularity among urban travelers. The meaning of cultural tourism has been changed a lot during the latest decades following the experiential motivations. Based on the newest trends the focus of cultural tourism has been changed as well: "The search for the exceptional has been joined by a quest for the everyday (...). Tourists increasingly want to 'live like a local', whether it is to avoid being labelled as a tourist, or if it is because the 'local' has become the new touchstone of authenticity (...)" (Richards, 2018:11). We can identify this direction in the segmentation studies of cultural tourists as well. Richards (2011) defined the creative tourists, those travelers, who actively want to be involved in creating something so as to learn or to taste different experiences, but also more passive activities could be included like shopping. Further researchers pointed our segments demanding extraordinary experiences like Maitland (2007) defined 'off the beaten track' tourists, Richards and Russo (2016) identified those who want to 'live like locals', while Mc Kercher and du Cros (2002) called these tourists as those who search for 'back-of-house experiences'. The experiential nature of the journey is usually analyzed in cultural tourism based on the scales of Pine and Gilmore (1999) connected to main dimensions of experiences like the educational, esthetic, entertaining and escapist types.

1.2 Characteristics of business tourism

Tourism is considered the engine of world industry, since over the last few years the number of the participants has been continuously growing both in the leisure and business sector. The number of international arrivals (those who spend at least for one night) increased by 4% since compared to 2018, so in 2019 it reached 1.5 billion. Middle-East (+8%) and Asia and Pacific (+5%) are leaders in growing, meanwhile in Europe and in Africa, areas they are the same as worldwide, so 4%. In the American continent it is 2% (UNWTO, 2020).

All over the world Europe has remained the most visited continent with 742 million people, from different countries, arriving there which takes 51% of the total of world tourist turnover. Demand, however, is from within the region, among overseas countries the USA, China, Japan and Gulf States significantly contribute to the increase of incoming European tourism. Considering the purpose of visit in 2018, business tourism takes 13% of global international tourist arrivals, with travel for holidays, recreation and other forms of leisure accounting for more over half of all international tourist arrivals (56%) travelling for other reasons such as visiting friends and relatives (VFR), religious reasons and health treatment representing 27% and not specified purpose of visit is 4% (UNWTO, 2019).

The business tourism, in the academic literature it is also called MICE tourism (Meetings – business trips, negotiations, meetings; Incentives – incentive trips; Conferences and Conventions; Exhibitions and Events) (Swarbrooke – Horner, 2001; Davidson – Cope, 2003) covers those tourists who require and look for the most value added and highest standard services in which the spending per head due to the contribution of the companies are the highest. The business tourism is one of the most highlighted industries, it is likewise a multibillion-dollar industry globally. The business tourism has very positive influence on national economy of countries (Oršič – Bregar, 2015), including Hungary. According to the statistics of the Hungarian Central Statistical Office (2019a) Business tourists spend significantly more when staying in Hungary and in Budapest than those who come on leisure holidays. The spending of business tourists since 2017 has not decreased below 30,000 HUF in any quarter years, moreover it has often exceeded this sum which can be seen in Table 1. The expected average spending of a business tourist is nearly 60% more than the spending of a leisure tourist during their complete stay.

Table 1. Comparison of expenditures by main motivation of the trip (changed motivational classification). (Since 2017 KSH has analyzed the purpose of travels to Hungary in a new motivation classification: personal trips (earlier leisure trips) and business, conference, cross border trading (earlier business trip)).

Expenditures per day per person, thousand HUF													
Main motivation	2017					2018					2019		
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3
Personal trips	32.3	28.3	34.1	31.5	31.5	43.6	39.1	42.8	36.8	40.3	37.1	35.6	34.7
Business, conference, cross border trading	18.9	20.0	16.5	19.7	18.3	14.9	15.2	14.6	16.7	15.3	14.7	16.9	15.9
Expenditures per trip per person, thousand HUF													
Main motivation	2017					2018					2019		
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3
Personal trips	93.3	104.8	100.9	100.1	99.9	85.5	87.6	92.7	83.9	87.6	78.0	75.5	76.5
Business, conference, cross border trading	31.2	27.9	31.3	32.4	59.6	31.4	34.7	33.2	37.5	34.1	31.0	36.7	37.4

Source: Hungarian Central Statistical Office (KSH) (2019a)

The average length of the stay of foreign business travels to Hungary was especially high: 3.6 days in 2019 which was consistent with the statement of the Hungarian Convention Bureau (HCB, 2020) according to which the length of the conferences in 2019 was 3.5 days. Based on the business tourism statements of HCB in 2019 1,367 international conferences took place in Budapest in which there were 150 thousand visitors. According to the estimations - based on an average of 3.6 days stays and 40,000 HUF spending per day - the participants of international conferences in Budapest generated 21.6 billion HUF income in 2019.

Beyond the economical usefulness, business tourism contributes to decrease the seasonality - in 2019 most of the business touristic events took place in April, May, September, October and November in Hungary (HCB, 2020). Further, the participants lengthen their stays or return later with their families generating further positive effects for the destination.

Given these factors, the name Meetings Industry has appeared which does not ignore the industrial features of the sector. On a global scale Meetings Industry is not exclusively regarded as a special form of tourism, but global innovation forum and distributional channel (UNWTO, 2006; ROGERS, 2008), on which the local governmental actors, convention bureaux and market actors cooperate more consciously in order to gain the right of organizing business meetings, exhibitions and conferences. These events not only profitable economically, but also contribute to make the given country, region, city appear globally as an economical and innovation 'hub'.

1.3 Trends of tourism in Budapest

Budapest is undoubtedly the central player in Hungary's city touristic tourism market. "Today, Budapest is one of the trendy, popular destinations in the European capitals, thanks to the vibrant cultural life in the city, which is excellently featured in the city for its creative industries, including design (Budapest became an UNESCO Creative City in 2015), further on gastronomy and the entertainment opportunities for young people" (Sziva et al. 2016:1). In 2019 Budapest arrived to the peak and won the Europe Best Destination award. Tourism in Budapest has been steadily rising over the past decade, after the deep point in 2009. The most significant change can be seen in 2012/2009, when a 25% increase in overnight stays was generated, approaching 7.5 million. The rise continued and, according to 2017 figures, Budapest exceeded its 'magic' 10 million guest nights, with a further 3% increase in 2018 (KSH, 2019b).

1.4 Trends of MICE tourism in Budapest

In the 21st century there have been qualitative changes in the tourism, as a consequence of which new participants have appeared on the market, whose differentiated requirements have changed the offer of each touristic destination. Regarding the motivations of the tourists arriving at Budapest, we can see the complexity of different motives. According to Pinke-Sziva et al. (2019) even the tourists in the nightlife district of Budapest called ruinbar district, their primary motivation was to visit cultural attractions and heritage, followed by ruin pubs and baths in Budapest.

Considering the supply of experiential travel, Budapest also offers a variety of creative products, providing an experience for niche segments, clearly contribute to the enhancement of Budapest's unique values and to differentiate it from its competitors. The best examples of these are the guided tours covering a variety of exciting topics, using a variety of transport modes (Rátz, 2017). In the case of alternative tours, it is the interactive elements and the customization of the tour that contribute most to the memorable experience according to Zátori-Puczkó-Smith (2018).

The new trend on the market of MICE tourism is that the role of unique and new destinations is developed which has generated changes after a period of cooperating with the several-time chosen Western European cities. This new interest is mainly highlighted with conference groups (ICCA, 2018). Mainly, the organizers seek for programs providing unique experience for groups with high number of participants, high cost and one week stay. According to the current trends not only capitals are popular but those destinations on countryside within short trip reach from the hotels of the capitals (UIA, 2018).

The current trend is also supported by the statements of year 2019 of the Hungarian Convention Bureau which reveals that 73.2% of international conferences were held in Budapest, meanwhile nearly half of those which were organized by Hungarian institutes were held in the countryside (HCB, 2020). Based on these it can be established that although the role of the venues in the countryside is more and more important, Budapest still has a leading role on the market of internationally organized conferences (2017: 80.2%; 2018: 68.2%).

2. Methodology

The main objective of our research was to analyze the motivation of the business tourists from the perspective of experiential travel in Budapest with the following research questions:

- What are the main motivations of this segment beside of business?
- What kind of experiences have they enjoyed the most in Budapest?
- What kind of activities would they acquire in the area of experiential travel?

To answer these questions a questionnaire was designed including questions for demography, motivations, as well as the selected statement of Pine and Gilmore's (1999) validated scales of experience-dimensions, further on the examples of experiential tourism activities in Budapest. As being an exploratory research, the most important focus was to find business travelers, particularly conference travelers, who are ready for answering the questions. To reach this aim, we selected the international conferences taken place in Corvinus University of Budapest. The survey was carried out between 26.05.2019 and 13.12.2019 with the help of pollsters. Finally, the sample contained 102 valid answers with the following characteristics.

In the given period the questionnaire was conducted in three international conferences, the socio-demographic features of the interviewees are shown in Table 2. There were nearly 10% more female in the sample. 53.9% of the participants were between 39-54 years old, 30.4% were between 26-38, 11.8% between 55-73. The average age of the participants in most of the cases falls between 26-38 and 39-54. The age group 18-25 was slightly represented and over 74 years old nobody took part in the events. In the table the completed educational level of the interviewees is not shown, since the participants obtain university level (BA, MA) or more which is also a general feature of business tourism.

For years the conferences organized in Hungary have been ordered by British (2018: 16.6%; 2019: 17.2%), Americans (2018: 14.6%; 2019: 15.8%) and German customers (2018: 13.7%; 2019: 14.1%) (HCB, 2020) which influences the ratio of the represented nations at a given conference. This statistic is supported by the fact that British, German and Norwegian participants were at present in the highest rate. The length of the conferences (2-3 days) size (average number of participants: 50 persons) and due to their features, most of the participants were from Europe. The citizens from overseas countries were slightly at present, for instance 2.0% of the pattern were from the United States.

Table 2. Socio-demographic characteristics of the sample

Gender	<i>Male</i>	40.2%
	<i>Female</i>	59.8%
Age	<i>18-25</i>	3.9%
	<i>26-38</i>	30.4%
	<i>39-54</i>	53.9%
	<i>55-73</i>	11.8%
	<i>74+</i>	0.0%
Civil status	<i>Married</i>	52.9%
	<i>In a relationship</i>	20.6%
	<i>Single</i>	21.6%
	<i>Divorced/widow</i>	4.9%
Nationality	<i>British</i>	13.7%
	<i>German</i>	10.8%
	<i>Norwegian</i>	10.8%
	<i>Czech</i>	7.8%
	<i>French</i>	6.9%
	<i>Austrian</i>	5.9%
	<i>Slovenian</i>	4.9%
	<i>Other nationalities</i>	39.2%

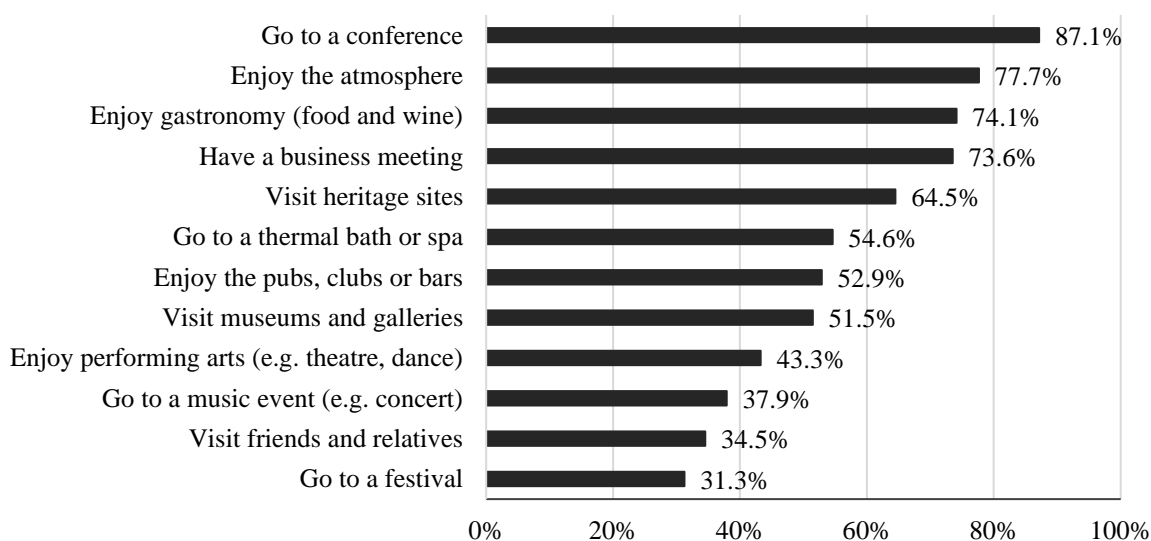
Source: own elaboration

3. Results and discussion

During the primary research more questions with 7-point scale were used, the data process was done with the help of SPSS program. When designing a rating scale, a researcher must specify the number of points on the scale. Likert (1932) scaling most often uses 5 points; Osgood, Suci, and Tannenbaum's (1957) semantic differential uses 7 points; and Thurstone's (1928) equal-appearing interval method uses 11 points. The quantitative researches suggest to use 100-point scales, but we followed Osgood, Suci, and Tannenbaum's (1957) advice to use 7-point scale, because this scale length can ensure the reliability and validity of our research.

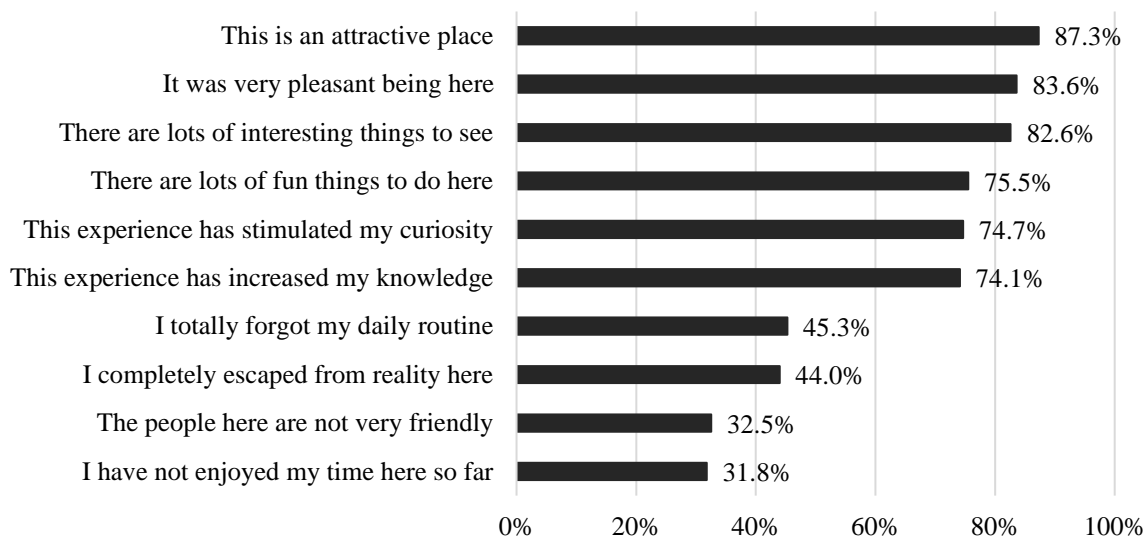
We first analyzed how tourist evaluate the importance of the activities represented in Graph 1. while staying in Budapest (1 - not important at all; 7 - very important). The questionnaire directly contains the participation of the conference and business meeting. The motivation turned into dichotomy each, the spread with the total number of 102 sample in case of each motivation is shown in Graph 1. It is visible that visiting the conference was on a high rate among the answers (87.1%) which is not surprising since the survey was conducted at a conference. Experiencing the atmosphere and gastro culture of Budapest also played an important role when visitors spend days in Budapest. Apart from them healthcare and cultural touristic attractions appeared as motivational facts. As a result of the basic features of conference tourism the beginning and the ending date of the conference highly influence the length of the journey. That is the reason why the participants rarely visit concerts and music events except the date of the concert falls close to the date of the conference. In this case it is likely that they lengthen their staying due to conferences or music festivals. The importance of these factors is reflected in the answers of the questionnaire.

Graph 1. Importance of the following activities during the visit to Budapest



Source: own elaboration

In order to answer the second research question, we asked the visitors to assess the following statements regarding Budapest (1 - do not agree; 7 - strongly agree). Graph 2 perfectly shows that Budapest is considered to be an attractive and convenient destination by the visitors, where special experiences can be gained. It is marginally characterized with words by them during their stays.

Graph 2. Experiences of international conference guests in Budapest

Source: own elaboration

We also examined which experiences are attractive for international conference attendees. They could mark more options and they marked three on average. Almost half of them (48.0%) determined a *Guided tour about local life and culture* as an attractive experience element in Budapest. *Gastronomic tasting tour (including Hungarian wine)* (45.1%) and *Local gastronomic festival* (33.3%) are also popular programs. According to the guests *Film studio visit and film location tour* (10.8%) and the *Hungarian folk dancing workshop* (8.8%) are little attractive elements.

4. Conclusion

Based on the research done at three conferences, it can be stated that participating in a conference is the leading motivation factor which gives a feedback to employers that these platforms are still the best and most appropriate events for trainings and sharing knowledge. It has also proved that bleisure tourism (the merging of business and leisure tourism) is wide-spreading in Budapest, since during the stay of the visitors with business purposes, several forms of leisure tourism appeared as secondary or tertiary motivation factors. It is a new trend globally that the border between business and leisure trips is more and more nuanced since more and more people look for professions with travel opportunities. According to the analysis we can see that the offer of Budapest makes it possible to combine business and leisure tourism. Primarily the connection is on the field of cultural and gastro tourism, however it would worth developing the touristic side of services. There are further potentials in healthcare tourism (thermal spas), yet the standard of them needs improving. Summarizing we can state that the research questions were answered successfully, since from the responses of attendees it can be deduced that Budapest is continuously developing capital which provides unique experiences and it is present not only in marketing communications, but in the visitors' mind, too. Business tourism is emphatically present in the national economy, as the revenues from the branch provide Hungary with higher and higher total revenue, parallelly its added value, such as forming country image, is significant. Business travels arriving at Budapest are more and more completed with leisure tourism, in order to which the city do a lot. However, it needs several further developments to reach higher success. In the current stage of our research we examined the experience seeker aspects of conference guests in Budapest, and, according to their opinion, what experiences the capital can provide during a business travel. However, it is only an initial survey of another research which examines deeper socio-demographic features.

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