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DEFINITION AND BENEFITS OF BUSINESS TOURISM IN THE CONTEXT OF GLOBALIZATION

Mrs. Humay Jafarli

Doctorant, Azerbaijan Tourism and Management University, Azerbaijan, Baku

Corresponding author:: umayjafarli@gmail.com

Abstract

Research purpose: to find out the possible definitions of the term business tourism, and clarify its importance for countries in the modern world. **Research methodology:** based on research methods, such as collecting scientific data and systematic analysis of information received logical generalization and analysis. **Research outcome:** international approaches to business tourism were investigated and the information received was systematically analysed and presented. **Research limitations:** requires extensive experimental information. **The practical significance of the research:** is that it will play a positive role in enriching the scientific and practical knowledge of students working in the tourism field, researchers and students in the field.

Keywords: Tourism, Business Tourism, Tourist visitation, Personal Relationships

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In recent years, scientists and practitioners, the subject of study and activity of which is the sphere of services, note the increased and constantly growing interest in business tourism. At the same time, the analysis of the conceptual apparatus, which is used by specialists engaged in this business, allows us to conclude that there are various, often contradictory interpretations of the category “business tourism”.

“Travel is the movement of people in time and space, and a person committing a journey, regardless of goals, destinations, vehicles and time intervals, is called a traveler“[6]

Business tourism today is an integral part of modern business. Every day in the world tens of millions of people leave their homes to go on trips - near and far, short and long. Annually in the world more than 100 million business trips are made. What is meant by business tourism? In order to answer this question, let us consider several definitions of business tourism. For example, I.V. Zorin and V.A. Kvartalnov in the “Encyclopedia of Tourism” treat business tourism as:

“Temporary business trips and trips with official purposes, including participation in conferences, congresses, etc. without receiving income at the place of business trip” [8]

I.T. Balabanov and A.I. Balabanov define business tourism as «trips of businessmen for business purposes» [2]

Providing a wide range of services needed to meet the needs of the business travel industry, leads

to the creation of new jobs, increased incomes of the population. Intensive exchange of information and interaction between participants in the consumption process contributes to the self-development and self-identification of members of society. This is the social significance of business tourism.

In the dictionary-directory "Tourism, Hospitality Service" under business tourism is understood:

"A tourist trip with business purposes without receiving income at the place of business trip" [1]

Business tourism has its clearly expressed specificity. Travel most often occur during the periods "February-May" and "September-November", which is due to a large number of different events (exhibitions, conferences, etc.) and high business activity at this time. Business tour, as a rule, is planned for several months.

A.T. Kirillov and LA Volkova define business tourism as "trips related to the performance of professional duties" [9]

The concept of "business travel" means traveling with business and professional purposes during working hours without receiving income at the place of stay.

"The totality of organizational and economic relations arising during the trip and the functioning of people at a certain destination during working hours with the purpose of carrying out professional activities or solving service tasks without obtaining income at the place of stay" [4]

When organizing a trip, it is necessary to take into account a lot of specific moments, for example, to find the most successful docking flights, book the most suitable hotel, book a ticket for the exhibition, plan travel; work out a rest program, etc. Naturally, here, the opportunities and professionalism of the organizing company of such a trip come to the forefront.

"Business travel - this is a trip related to the performance of professional duties."

In connection with the overall integration and establishment of business contacts, business tourism from year to year is becoming increasingly important. The trips are made with the purpose of visiting the objects that belong to the firm or are of special interest to it, for negotiation, for finding additional supply channels or marketing, etc.

Generally speaking, the combination of business visits with the possibilities of examining the country of stay and short-term rest was used for a long time, but as an independent and highly profitable type of tourism this direction was formed in the 80-90s of the XX century. Especially popular business tourism has become in recent years, and this service sector constantly increases the volume.

Thus, the study of various definitions of business tourism in literature allows us to conclude that business tourism unites the whole range of services in the field of travel with official purposes, therefore, the interpretation of the term "business tourism" by scientists and practitioners fully corresponds to the international concept of "business travel".

Specialists in business travel defined another concept which is the abbreviation MICE, which denotes the formula that "submits" business tourism: meetings, incentives (incentive trips), conferences (organization of conferences), exhibitions (exhibitions)

"The MICE industry – a service industry combining trade, transportation, finance, and travel – has been active mainly in Europe and America. It has long been recognized as a sector that draws lucrative direct and indirect revenue for host destinations." [7]

Experts in this field usually consider the concept of "business travel" as a business system consisting of four subsystems. This is a quadrangle in the corners of which are: "customer companies" (they send their employees on business trips), "companies that provide services of a particular type" (airlines, hotels, car rental offices, insurance companies, etc.), "full-service providers (tour operators) in the field of business travel" and "organizations and industry firms MICE"

“A meeting is - a conference, workshop, seminar, or other event designed to bring people together for the purpose of exchanging information. An exposition is - an event designed to bring together purveyors of products, equipment, and services in an environment in which they can demonstrate their products and services to a group of attendees at a convention or trade show. When meetings are combined with expositions, the event is called a convention” [3]

“The concept of MICE or MI (Meetings Industry) was introduced in 2006 in accordance with a decision carried out by the International Congress & Convention Association (ICCA), the Meeting Professionals International (MPI), the Reeds Travel Exhibitions and the World Tourism Organization (UNWTO) in an attempt to standardize concepts and create a stronger image of the sector.” [7]

In one form or another, business tourism has been around for a long time. As an independent and highly profitable form of tourism, it was talked about in Europe and the US in the 70-80s of the XX century, and in the 90s this sphere of business acquired a particularly significant scope. However, political conflicts and the economic downturn slowed down the pace of growth in business tourism. With the improvement of the world economy, the development of this type of tourism continued.

“The MICE industry is one of the key drivers of tourism destination development and an important generator of income, employment and (foreign) investment. Besides economic benefits, the MICE industry delivers opportunities for knowledge sharing, networking and capacity building, making it an important driver for intellectual development and regional cooperation.” [7]

Business tourism has a positive impact on those countries where it is implemented. Basically, this impact is similar to that of other types of tourism, but there are differences.

Firstly, business tourism is expensive and, therefore, is profitable. Most of the business travelers are top and middle managers of companies, this way sellers of expensive, high-quality services have the greatest benefit. Revenues from this type of tourism come to the state budget through taxes. If large events, such as conferences, exhibitions and others, are accompanied by a cultural and entertainment program, local tourist attractions also benefit. Secondly, many business trips are made in the period that is not very busy for the tourist center, that's why they always count on business guests regardless of seasonality.

Third, travelers making business trips are less than other tourists associated with the environment. Most of the time they spend in meetings, discussions of various issues, so they have little time to visit beaches, recreation areas, ski slopes, etc. Business guests do not take up much space in local transport and do not create unnecessary lines in stores and at the post office.

Fourthly, guests visiting the tourist center for participation in conferences or exhibitions, as well as those engaged in incentive travel, are good ambassadors for this center and promote it completely unselfishly.

“Often these are very famous people, whose opinion can significantly affect the formation of the image of the tourist center in their homeland. This explains the interest of local authorities in attracting as many business visitors to their city or district as possible.” [10]

In international literature goals of business trips are classified as following: business trips for the purpose of negotiations, concluding contracts, establishing business and trade relations, etc.; attendance and participation in exhibitions; participation in congresses, conferences and seminars; trips for the purpose of vocational training (seminars, trainings, internships, etc.); Incentive trips (incentive corporate trips).

Additionally according the result achieved by various literature examples analyzed we can see that, members of the group of traveling with business purposes, include the following categories of persons: owners, managers of companies, top and middle managers; businessmen; delegates of congresses and conferences, scientists; participants in sports; artists; media workers; participants in incentive tours; diplomats; servicemen; Politicians, state and public figures.

The need for organizing and servicing individual and group corporate trips, as well as numerous events in the field of business tourism, served as the reason for the creation of a powerful sphere of business services.

The multifaceted infrastructure of the business tourism industry consists of: exhibition and congress centers, airlines, business hotels and business centers, tourism and consulting companies specializing in this field, transport companies, insurance companies, payment and banking systems, modern computer and telecommunication technologies. Thanks to them, a business person, regardless of his location, is able to “keep his hand on the pulse of his business.”

The main market for business tourism is the corporate sector and associations. The corporate sector includes companies whose main motives for holding meetings are of a commercial nature: conferences on marketing and sales, the introduction of a new product, personnel issues, etc. As for associations, they have two forms: professional (associations on a professional basis) and voluntary (people are united in interests outside of work, for example, hobbies, beliefs, ethical considerations, etc.).

By level of association can be local, regional, national or international. Since the members of the association are territorially scattered, it is necessary to organize regular meetings. Naturally, meetings of international associations include more elements of travel than meetings of regional or national associations.

The main bodies that promote the centers of the industry of meetings are the meeting organization bureau and the business travel department of local and national tourism organizations. They publish materials, distribute them to the organizers of meetings, help hotels and conference centers in the preparation of meetings, and coordinate all actions for the preparation and holding of these meetings.

One of the leading international organizations to promote major regional congress centers is the European Federation of Conference Towns (EFCT), which is based in Brussels and brings together 70 members from 22 countries in Western and Eastern Europe.

“Business tourism today is a highly developed industry to service business trips, which, in turn, are divided into several types. So, in turn, individual business trips make up approximately 68% of the total volume of business trips, visiting exhibitions - 12%, participation in conferences and seminars - 14%, congress trips - 3%, incentive tourism - 3%.” [4]

In particular, the development of business tourism affects the expansion and strengthening of cultural ties between the regions of the world and the inland. The growth of this type of tourism contributes to the development of mutual understanding between people and countries. Unlike information about other countries, obtained through the media, international links, carried out through business tourism, provide an opportunity to better understand the way of life of residents of other countries. This contributes to the destruction of prejudices and stereotyped ideas about other societies. Mutual knowledge and understanding among the peoples of the world determine the cultural significance of business tourism.

At the same time, experts say that it is the tourism industry that can stop the decline, and then stimulate the development of the world economy. Supporting this point of view, business tourism can play a significant role in bringing any country's economy out of recession.

Analysis of the structure of the business tourism market shows that its individual segments are less affected by the global economic crisis. First of all, this refers to the organization of exhibitions and seminars. Exhibitions can create a huge number of participants with high level of incomes of companies, organizers, hotels, etc., and at the same time establishment hundreds of employed jobs for whole country. In addition, international exhibitions and seminars can play a role of international cooperation, relationship and joint search for solutions to existing problems.

“It is no coincidence that participation in exhibitions is regarded as an effective way of searching for a buyer of a manufactured product or provided services. In addition, this is a great way to find partners

on business, establishing useful and productive business contacts, conducting effective advertising and PR campaigns. Such a combination of opportunities makes participation in exhibitions an effective anti-crisis tool.”

Thus, proceeding from the above, we can conclude that revival of business activity in the local market of business tourism and management of economic systems can strengthen its positive impact on the socio-economic development of the country.

According to statistical information provided within the academic paper, business tourism is one of the biggest revenue generating spheres of economy. Considering many other benefits to the country's economic and social life business tourism phenomenon was investigated in this research material. Generally speaking, the research identified definition of business tourism, its objects and subjects and benefits for country of origin.

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