Competitive Index 2019

International Convention Destinations

Advising the world's convention and meetings industry

GainingEdge

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Competitive Index 2019

In 2018 GainingEdge launched the annual Destination Competitive Index, an innovative tool that ranks cities based on their competitive strength to attract international conferences. The first edition of the Top 50 cities was presented during the 52nd ICCA congress held in Dubai in October 2018. The second edition of the Destination Competitive Index (2019) presents the top 100 cities, their level of competitiveness, global and regional rankings, as well as ranking in various competitive sets.

The Competitive Index

The GainingEdge Destination Competitive Index is an assessment of how destinations generally compare in terms of the strength of their offer, as well as other factors that influence the choice of destination by meeting planners and conference organisers. The Index assesses the characteristics of the destination product, including infrastructure factors (meeting venues, hotel stock and facility package, international accessibility and logistics), competitive factors (scientific community strengths, destination appeal and costs), as well as macro indicators (market size, economic strength, business environment, and social conditions). The Index reveals some destinations can reasonably be expected to host more or less meetings, based on their relative strengths.

The Index takes into consideration the key factors meeting organizers look for when selecting a host destination and evaluates these factors in relation to their relative significance. However, the Index does not take into consideration the efforts of local destination marketing organizations (convention bureaus and city marketing offices) in terms of promotion, engagement in bidding, organization of the local conference industry, etc.

It's important to note the local industry can use its destination product differently, thus achieving better or worse results in terms of the number of international association meetings or number of delegates. Further, destinations may have different strategies (or may not have a strategic approach at all) and so may be more or less focused to attract international association meetings. Therefore, the Index does not indicate which destination is better or worse, but indicates that based on the destination product what result should reasonably be expected.

The Index provides valuable information for destinations, as comparing the Competitive Index with the actual destination results highlights gaps that indicate the opportunities and directions the destination should consider when developing its strategic plan. It is important to note this comparison should be done within the appropriate competitive set to ensure accuracy of the comparison and the resulting strategic directions and points of improvements.

The Competitive Index 2019

The Destination Competitive Index 2019 presents the Top 100 destinations, their rank and number of competitive points, based on our research of the previously mentioned key competitive factors.

Destinations were selected for inclusion in the Competitive Index based on: a) their rank according to ICCA annual reports; and, b) the total number of international association meetings hosted over the last three years. A total of 103 destinations were considered in the Destination Competitive Index 2019, which have hosted 82+ international association meetings over the 2016-2018 period (as per ICCA data).

There are destinations not included that have a strong meeting product, but may be chiefly focused on the national market or for other reasons are not among the top 100 ICCA destinations. In contrast, certain destinations may have a relatively weaker meeting product but are very active in the international market and so are regularly among the ICCA top 100 destinations. This can be clearly seen when comparing the 2018 Index Top 50 and this year's Index of the Top 100 destinations in terms of their competitiveness.

For 2019, some new destinations appear due to the very high competitiveness of their product even though their ICCA rankings are usually below 50th place - cities such as San Francisco, Chicago, Frankfurt, Moscow. These are destinations with strong product attributes (convention & exhibition venues, international accessibility, large markets and/or strong economies) that for some reason are not focused on international meetings. Such cities are mostly focused on a large national market (for example, US destinations), while others are more focused on exhibition business or are not open enough to the international association meetings market.

Including these additional cities in the Competitive Index Top 100 necessarily means other destinations have been suppressed, so the order in the Index is now different from 2018. The destinations dropping places includes those active in the international meetings market but with less developed infrastructure and are from regions where market size or strength of their economy is weaker - primarily Eastern Europe destinations (Budapest, Warsaw, Cracow, Belgrade) and Latin America (Buenos Aires, Lima, Santiago). However, when comparing rankings within their regions there are no significant changes in order compared to 2018.

Destination Report

Destination Competitive Index Report

GainingEdge and its research department have engaged in previous years to conduct research and develop a model for the Destination Competitive Index. The original idea was to create a quantitative model that would enable the benchmarking of convention destinations, a long time challenge within the industry.

However, further development of the model identified numerous opportunities for deeper quantitative analysis of the competitive position of convention destinations. So, in addition to measuring performance and listing of destinations in relation to their competitiveness, a whole range of possible applications have emerged. These applications and analysis can significantly support the work of convention bureaus and destination marketing organizations. They provide quantitative indicators to identify an appropriate competitive set and define the competitive position of their destinations. Then, Fair Share analysis makes it easier to reasonably set business goals and project future destination growth, while Ratio analysis provides the opportunity to identify competitive advantages and disadvantages. Finally, this provides quantitative indicators that enable the meetings industry to be understandable to decision makers and make their proposals on fact-based data.

GainingEdge has consolidated analyses based on the Competitive Index into a new service, a Destination Index Report, intended for individual destinations to support their strategic planning. Any destination that approaches strategic planning can use the Competitive Index to obtain initial data and directions that will support further strategic dialogue.

Possible applications of this model include:

Competition Analysis

The Destination Competitiveness Index is a useful source of information for such analysis and a helpful tool for establishing competitive sets.

Goal Setting

The Index offers a tool for comparing the relative competitive strengths of destinations which in turn provides insights into how those relative strengths relate to business outcomes.

Performance Measurement

The Index will allow bureaus and destinations to strengthen these assessments based on a more sophisticated model, which sheds lights on the issue of "comparability".

Strategic Visioning

Sometimes we find that destination stakeholders (public and private) embark on visioning processes without any robust assessment of how visionary the goals actually are. The Index will provide a useful benchmark for visioning processes.

Strategic Planning

Once destinations have established meaningful vision and goals, the next step is putting in place strategies that will drive success. The Index will provide useful insights into focus issues that will underpin those strategies.

Strategic Resourcing

As destinations set goals and develop a more rational focus on competitive sets and relative performance levels, they will be more capable of evaluating the resource needs that will be required to achieve their strategic goals.

Strategic Product Development

The Index will help destinations compare themselves to others in relation to key product issues. If they want to increase their competitiveness they will have an easier time identifying the factors that required the most attention and validating to policy makers and industry what needs to be done.

Communication & Branding

The Index will help identify key issues that need to be addressed in a destination's communications processes.

The destination competitive index report consists of these main sections.

COMPETITION ANALYSIS

The Index examines the relative competitiveness of destinations that are included in a competitive set.

The selection criteria for such a set are:

1. Rotation
2. Size
3. Business profile
4. Infrastructure
5. Perspective

FAIR SHARE ANALYSIS

For the purpose of the Index, fair share calculations for a destination use its competitive scores as the substitute for inventory factor. More facilities, more hotel rooms, better air service, etc. drive its score higher and therefore it captures a higher proportion of the business occurring within its competitive set. A destination's competitive score as a percentage (%) of the combined scores in a given set represents its proportional fair share of the total business procured by that set. So, if a destination's proportion of "competitive points" within a set is 10%, then it could reasonably seek to secure 10% of the total business secured by the set.

RATIO ANALYSIS

The Index provides the ability to determine the level of competitiveness for each of the 11 factors considered by international meeting planners. This analysis provides fact-based information about challenges which should be strategically addressed, as well as strong points which can be leveraged on when developing the destination's business events strategies.

FAIR SHARE SCENARIO MODEL

The Fair Share scenario model illustrates how cities compare in terms of their "fair share" and in terms of their "momentum." The momentum shows if the destination is accelerating or decelerating in terms of number of international association meetings (ICCA statistics) which it has hosted, in a three-year series.

Competitive Rankings 2019

Top Global Destinations: Rankings for Competitive Strengths

Cities hosting 82+ conventions over past 3 years (ICCA Report for 2016 - 2018 business)

City	Rank	Score
Paris	1	741.4
Barcelona	2	708.8
Singapore	3	706.8
Tokyo	4	694.1
New York	5	691.2
Beijing	6	672.2
Washington DC	7	668.2
San Francisco	8	664.6
Boston	9	661.3
Chicago	10	660.9
Hong Kong	11	653.4
Kuala Lumpur	12	647.7
Berlin	13	646.6
Toronto	14	642.8
Amsterdam	15	641.4
London	16	635.4
Istanbul	17	635.0
Bangkok	18	627.3
Milan	19	615.2
Seoul	20	604.3
Madrid	21	601.5
Frankfurt	22	600.4
Shanghai	23	600.2
Vienna	24	599.6
Chinese Taipei	25	596.1
Rome	26	595.9

City	Rank	Score
Vancouver	27	593.9
Bali	28	592.1
Melbourne	29	586.6
Macao	30	584.5
Montreal	31	584.4
Munich	32	583.8
Mexico City	33	580.8
Sydney	34	575.5
Brussels	35	569.8
Stockholm	36	562.6
Moscow	37	556.8
Copenhagen	38	552.5
Dubai	39	532.5
Dublin	40	531.7
New Delhi	41	431.1
Manila	42	525.0
Hamburg	43	522.9
Kyoto	44	512.1
Helsinki	45	497.5
Sao Paolo	46	494.5
Brisbane	47	493.6
Lisbon	48	492.3
Busan	49	492.1
Glasgow	50	487.4
Rio de Janeiro	51	484.0
Prague	52	481.9

City	Rank	Score
Bogota	53	480.0
Florence	54	479.4
Lyon	55	478.7
Oslo	56	475.4
Manchester	57	475.2
Geneva	58	472.7
Gothenburg	59	472.2
Valencia	60	470.6
Dresden	60	470.6
Athens	62	470.0
Edinburgh	63	466.0
Marseille	64	465.2
Jeju	65	463.6
Zurich	66	451.8
Adu Dhabi	67	451.3
Budapest	68	446.9
St Petersburg	69	443.4
Warsaw	70	442.5
Buenos Aires	71	428.9
Cracow	72	427.5
Torino	73	427.1
Venice	74	416.5
Cape Town	75	416.4
Toulouse	76	412.5
Roterdam	77	408.4
Bologna	78	404.0

City	Rank	Score
Thessaloniki	79	400.5
Lima	80	395.9
Medellin	81	394.0
Auckland	82	392.3
Belgrade	83	390.6
Riga	84	388.8
Aarhus	85	384.4
Ljubljana	86	382.6
Lausanne	87	381.6
Bucharest	88	381.4
Talinn	89	378.7
Porto	90	378.4
The Hague	91	373.0
Santiago	92	367.5
Oxford	93	365.6
Panama	94	364.2
Zagreb	95	361.5
Uppsala	96	360.1
Cartagena	97	357.5
Reykjavik	98	351.2
Gent	99	335.7
Vilnius	100	331.5
Leuven	101	327.9
San Jose	102	303.7
Montevideo	103	300.9

Regional Rankings 2019

Europe

City	Rank	Score
Paris	1	741.4
Barcelona	2	708.8
Berlin	3	646.4
Amsterdam	4	641.4
London	5	635.4
Istanbul	6	635.0
Milan	7	615.2
Madrid	8	601.5
Frankfurt	9	600.4
Vienna	10	599.6
Rome	11	595.9
Munich	12	583.8
Brussels	13	569.8
Stockholm	14	562.6
Moscow	15	556.8
Copenhagen	16	552.5
Dublin	17	531.7
Hamburg	18	522.9
Helsinki	19	497.5
Lisbon	20	492.3

City	Rank	Score
Glasgow	21	487.4
Prague	22	481.9
Florence	23	479.4
Lyon	24	478.7
Oslo	25	475.4
Manchester	26	475.2
Geneva	27	472.7
Gothenburg	28	472.2
Valencia	29	470.6
Dresden	29	470.6
Athens	31	470.0
Edinburgh	32	466.0
Marseille	33	465.2
Zurich	34	451.8
Budapest	35	446.9
St Petersburg	36	443.4
Warsaw	37	442.5
Cracow	38	427.5
Torino	39	427.1
Venice	40	416.5

City	Rank	Score
Toulouse	41	412.5
Rotterdam	42	408.4
Bologna	43	404.0
Thessaloniki	44	400.5
Belgrade	45	390.6
Riga	46	388.8
Aarhus	47	384.4
Ljubljana	48	382.6
Lausanne	49	381.6
Bucharest	50	381.4
Tallinn	51	378.7
Porto	52	378.4
The Hague	53	373.0
Oxford	54	365.6
Zagreb	55	361.5
Uppsala	56	360.1
Reykjavik	57	351.2
Gent	58	335.8
Vilnius	59	331.5
Leuven	60	327.9

Analysis

Almost 60% of destinations that have hosted 82+ international association meetings over the last three years (2016-2018) are from Europe, giving us 60 European cities among the top 103.

In the top spot is Paris, a global leader (as it was last year), followed by Barcelona and Berlin. There are no major changes among the top 10 destinations, except Istanbul falling from 3rd to 6th place and Vienna from 7th to 10th place.

A significant change is that Frankfurt appeared in our top 10 of 2019, although is was not included last year because it was below 50th place in the ICCA rankings.

Same situation with Moscow, which now occupies 15th position. Most cities in Western Europe occupy a similar position as 2018 (+/- 3 places), while a significant drop occurs in Eastern European cities; Prague (for 5 places), Budapest (16 places), Warsaw (17 places), Cracow (13 places) and Belgrade (19 places).

The reason for this drop is second-tier Western European destinations with better developed infrastructure have been included in 2019, so cities such as Glasgow (21st), Florence (23rd), Lyon (24th), Manchester (26th), Geneva (27th) now appear in the higher places.

The same rationale explains why some Western European cities, which were below 20th position in 2018 (Zurich, Athens and Porto), also experienced a decline.

Asia

City	Rank	Score
Singapore	1	706.8
Tokyo	2	694.1
Beijing	3	672.2
Hong Kong	4	635.4
Kuala Lumpur	5	647.7
Bangkok	6	627.3
Seoul	7	604.3
Shanghai	8	600.2
Chinese Taipei	9	596.1
Bali	10	592.1
Macao*	11	584.5
Delhi	12	531.1
Manila	13	525.0
Kyoto	14	512.1
Busan	15	492.1
Jeju	16	463.6

North America

City	Rank	Score
New York	1	691.2
Washington	2	668.2
San Francisco	3	664.6
Boston	4	661.3
Chicago	5	660.9
Toronto	6	642.8
Vancouver	7	593.9
Montreal	8	584.4

Latin America

City	Rank	Score
Mexico City	1	580.8
Sao Paolo	2	494.5
Rio de Janeiro	3	484.0
Bogota	4	480.0
Buenos Aires	5	428.9
Lima	6	395.9
Medellin	7	394.0
Santiago	8	367.5
Panama	9	364.2
Cartagena	10	357.5
San Jose	11	303.7
Montevideo	12	300.9

Australia / Oceania

City	Rank	Score
Melbourne	1	586.6
Sydney	2	575.5
Brisbane	3	493.6
Auckland	4	392.3

Africa / Middle East

City	Rank	Score
Dubai	1	532.5
Abu Dhabi	2	451.3
Cape Town	3	416.4

Analysis

Asia has 16 destinations among the Top 100 and 10 among the top 30 globally. Singapore is the leader in this region, both in number of international association meetings and overall competitiveness. There were no significant changes among the top 10 destinations in competitiveness compared to the last year, with the exception of Bali appearing and Kyoto falling from 10th to 14th position. New destinations included this year are Macao, New Delhi, Manila, Busan and Jeju - with the exception of Jeju, all of these are ranked within our top 50 globally.

USA cities have very strong destination products, but only 5 appear in the top 100 ICCA rankings as they are mainly focused on the large national market. However, all 5 USA destinations (New York, Washington, San Francisco, Boston and Chicago) are in our top 10 most competitive cities globally and ranked at the top in North America, followed by the Canadian destinations of Toronto, Vancouver and Montreal.

Latin America has 12 destinations among the 103 considered in the Index but at relatively low positions, mostly in the lower 50 places. The highest placed is Mexico City (ranked 33rd globally), followed by Sao Paolo (46th) and Rio de Janeiro (51st). At the regional level it is almost the same as in 2018, with Medellin newly added and sitting just in front of Lima. Additionally, Panama, Cartagena, San Jose and Montevideo are new entrants, all ranked below 90th position globally.

Finally, Australia/Oceania and Middle East/Africa have a limited number of destinations in the top 100. Brisbane and Auckland are new entrants in addition to Melbourne and Sydney, while Abu Dhabi also appears in addition to Dubai and Cape Town.

GainingEdge

Competitive Asset

Anatomy of the Most Competitive Convention Destination at Regional Level

COMPETITIVE FACTORS	Max points	Paris	Singapore	New York	Melbourne	Mexico City	Dubai
Convention Facilities	**200**	166.04	180.00	125.50	125.20	138.00	147.40
Hotel Offer	**150**	150.00	150.00	150.00	142.09	94.50	86.00
Air Access	**100**	100.00	100.00	100.00	74.40	95.40	100.00
Association Community	**100**	78.03	36.51	53.74	40.45	35.15	7.91
Destination Appeal	**100**	51.24	15.50	55.25	14.15	27.21	17.95
Costs (higher costs = lower rank)	**100**	32.24	39.24	25.91	42.10	78.38	34.72
Logistics	**50**	24.14	24.91	23.51	22.76	16.97	21.69
Market (population)	**50**	36.70	36.36	40.00	12.27	35.00	18.75
Economy (size)	**50**	30.06	38.23	40.50	37.80	7.72	10.99
Business Environment	**50**	44.14	47.88	48.29	44.43	37.11	42.19
Social Factors (safety & stability)	**50**	28.81	38.15	28.47	30.96	15.34	44.89
OVERALL	**1,000**	**741.4**	**706.8**	**691.2**	**586.6**	**580.8**	**532.5**

Analysis

The table shows the total number of competitive points available, as well as the score for each of the competitive factors, for the 6 leading regional destinations. Based on this, we can determine the relative relationship between these destinations for each of the competitive factors and thus determine their individual competitive advantages and disadvantages (within a given set) - valuable information especially when it comes to establishing a realistic competitive set for an individual destination.

Rankings within different competitive sets

Scandinavia

City	Rank	Score
Stockholm	1	562.6
Copenhagen	2	552.5
Helsinki	3	497.5
Oslo	4	475.4
Gothenburg	5	472.2
Aarhus	6	384.4
Uppsala	7	360.1
Reykjavik	8	351.2

University Towns

City	Rank	Score
Aarhus	1	384.4
Lausanne	2	381.6
Oxford	3	365.6
Uppsala	4	360.1
Gent	5	335.8
Leuven	6	327.9

Eastern Europe

City	Rank	Score
Moscow	1	556.8
Prague	2	481.9
Budapest	3	446.9
St Petersburg	4	443.4
Warsaw	5	442.5
Cracow	6	427.5
Belgrade	7	390.6
Riga	8	388.8
Ljubljana	9	382.6
Bucharest	10	381.4
Tallinn	11	378.7
Zagreb	12	361.5
Vilnius	13	331.5

Analysis

The Destination Competitive Index provides an overview of the competitiveness of the Top 100 convention destinations both globally and regionally. Given this, each city can identify the strengths of its destination product and relative competitive position globally, as well as in its region (continent).

However, each destination can obtain valuable strategic insights via examining its competitive index relative to destinations within its actual competition set.

There are various criteria by which to define a competitive set, such as region (rotation), destination size, profile, infrastructure, etc. A common way to define a set is to select destinations from one sub-region, which typically comprise one rotation for international meetings (e.g. Scandinavia, Eastern Europe, the Mediterranean). Additionally, the set may be related to the destination profile (capital cities, regional centres, tourist destinations, academic towns, etc.).

The 2019 Destination Competitive Index Report gives us the ability to gain deeper insights for competitive sets, for example:

1. Cities in Scandinavia - all Scandinavian cities from the list of top 100, including capital cities, as well as second-tier destinations.
2. University towns in Europe - smaller academic centres in Europe with strong and famous universities (i.e. top 100 on the Shanghai Ranking list) with relatively weaker infrastructure and air accessibility.

In both competitive sets we can find Aarhus, Denmark, so it is possible to monitor its competitive position, as well as its strengths and weaknesses vis a vis each of the competing factors, relative to one or the other competitive set.

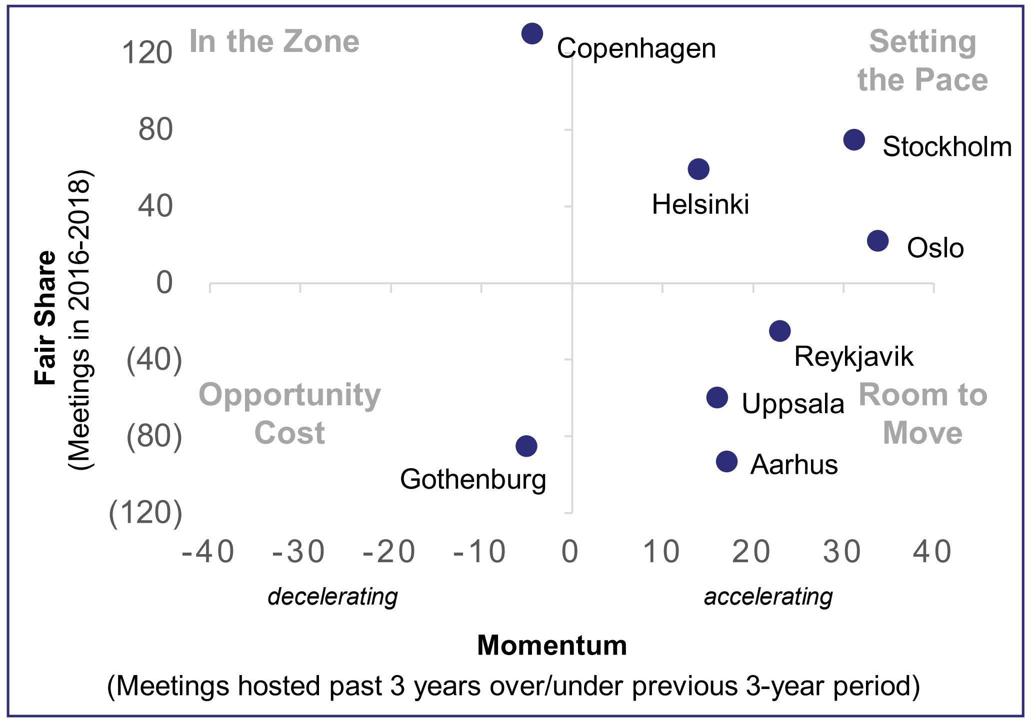
Fair Share Analysis

Fair Share Concept

The first Destination Competitive Index (2018) introduced our two-part analysis of Fair Share and how it can be a valuable tool in strategic planning for convention destinations. This concept states a destination's competitive score as a % of the overall competitive scores in a given competitive set and represents that destination's proportional "fair share" of the total business within that set. So if a destination's proportion of "competitive points" within its set is X%, then it is reasonable to expect that it could achieve X% of the total business in that competitive set.

By comparing destinations' competitive position and actual business share achieved, destinations can determine if they perform above or below their expected fair share, and by how far. The net sum of fair share variances within a competitive set is necessarily zero, meaning if a destination performs above its fair share some others must perform below their fair shares.

The second part of this analysis regards "momentum" - if the destination is accelerating or decelerating in terms of number of international association meetings hosted in a three-year series (as per ICCA data).



The Fair Share scenario model below illustrates how cities compare in terms of their fair share and momentum.

On Fair Share, destinations plot either above or below the midline to the extent that their actual meetings (2016-2018) hosted vary from their fair share.

On Momentum, destinations plot to the left or right of the midline based on their growth or decline in meetings hosted in the three-year period between 2016 – 2018 compared to the three-year period prior (2013-2015).

There are 4 quadrants based on this scenario model and depending on a destination's fair share and its momentum, it can locate in any of them:

1. Setting the Pace – destination is above the fair share and is accelerating
2. In the Zone – destination is above the fair share and is decelerating
3. Opportunity Cost - destination is below the fair share and is decelerating
4. Room to Move - destination is below the fair share and is accelerating

Scandinavian Cities

In its competitive set Copenhagen has achieved a result well above its fair share, noting the number of international association meetings has slowed slightly in the last 3 years (especially in relation to 2015). In order to maintain its leading position and move into the acceleration zone, Copenhagen should target between 140 and 150 international association meetings in the coming years.

Stockholm, Helsinki and Oslo are in the zone of acceleration and in this competitive set they also achieve results above fair share. Remaining cities are second-tier destinations and perform below fair share within this competitive set, though almost all are in the acceleration zone.

Gothenburg is the exception, indicating it should analyze its position more deeply within this, and possibly also other, competitive sets.

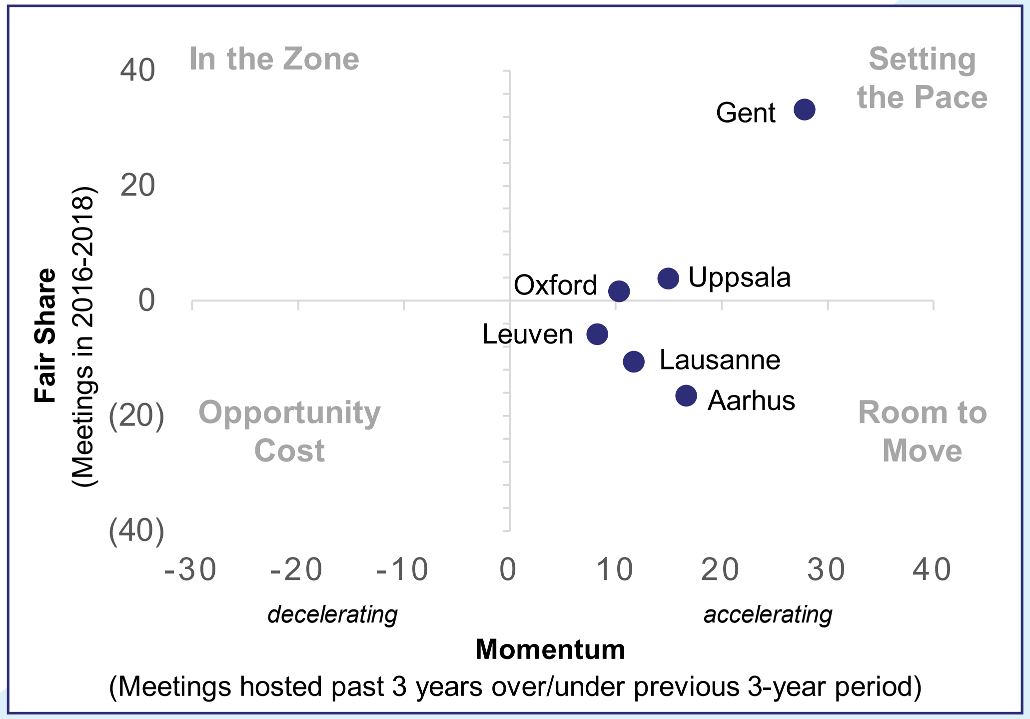
Looking to Aarhus, it is positive in the zone of acceleration by increasing the total number of meetings in the last three-year series compared to the previous one by 25.37%. However, within this competitive set Aarhus is well below fair share, indicating it is not really in the same competitive set as Copenhagen or other Scandinavian capitals.

Though second-tier cities often compare themselves with capitals within their country, practically speaking it may not result in realistic goal-setting or to strategy formulation.

University Towns

University cities in Europe provide an opportunity to consider a more specific competitive set. Within this competitive set, all destinations are in the acceleration zone indicating a positive trend selecting university cities to host international meetings. The overall growth trend for this competitive set for 2016-2018, compared to 2013-2015, is extremely high at 18.13%.

The greatest growth was achieved by Gent with 27.55%, putting it well above fair share in this competitive set. Oxford and Uppsala sit very slightly above fair share and have momentum slightly below the trend for the entire competitive set. The same applies to Lausanne and Leuven, though they perform slightly below fair share.



Finally, Aarhus has achieved significant momentum in the past few years, with remarkable results in 2017 when it hosted 37 international association meetings. However, mostly due to a weak year in 2018 Arhus sits below its fair share with 19 meetings in 2016-2018 (or 6 meetings on an annual basis).

To stay in the acceleration zone and move above fair share in the coming years, Aarhus should host between 30 and 40 international association meetings annually, with a growing trend (equal or greater than the growth rate of the entire competitive set). Bearing in mind Aarhus has already achieved similar results over the past three years, it can be considered as ambitious but a realistic goal in their future strategic plans.

Faire Share Analysis - Applications

A Fair Share analysis is very useful in terms of projecting sales, setting goals and as an indicator of a city's product performances against others within a given competitive set. Bureaus and destinations can use it as a means of assessing their past market performance as well as for setting future goals and creating metrics for measuring future performance.

There are several applications Competitive Index and Fair Share analysis have in the strategic planning process for a convention destination, such as:

- Defining a competitive set accurately - key to strategic planning and identifying performance gaps that need to be enhanced or advantages that should be used.
- Predicting future business growth within a given competitive set - important to understand the total volume of business available and the potential for future growth.
- Understanding destination momentum - showing whether a destination is growing faster or slower than its competitors.
- Setting business goals and projecting future growth - an essential contribution to strategic planning is the setting of ambitious but realistic goals.

Using the Competitive Index and Fair Share analysis within a given competitive set, we can calculate the exact number of meetings of international associations that a destination needs to host in coming years in order to move from the deceleration zone to the acceleration zone (or to keep in the acceleration zone). Also, we can accurately calculate the number of international meetings that a destination needs to host in order to move into the zone above fair share (or to keep in that zone). Combining this data with the predicted growth trend for the entire competitive set yields the business goals that the destination needs to set.

Ratio Analysis

Relative contribution of competitive factors to destination success

The Competitive Index can assist to identify and analyse a city`s competitive advantages and disadvantages, helping it to set ambitious business goals. The first step is to determine the relative importance of each competitive factor for destination success within a given competitive set. By analysing the contribution of each competitive factor to the overall success of the destination (as a % of the index points for each of the factors in the total destination's index score), we can observe the contribution of all competitive factors for each city and compare to other cities. We can also observe the average contribution of each factor for the entire competitive set.

Using the university town competitive set, we notice the relative importance of some factors is quite small while others are much larger. As expected within this competitive set, the relative importance of air accessibility (at 0.56%) is small but the relative importance of logistics (public transport and compactness) is much higher at 10.63%. To contrast with the top 103 destinations, for those the relative contribution of air accessibility is 9.33% and logistics is 5.62%.

The relative contribution of association community strength in this competitive set (at 19.18%) is significantly higher than the contribution of destination appeal of 4.34%. Therefore, within this competitive set it is more important to engage the academic community than to invest in 'traditional' destination promotion. Further, the relative importance of association community strength within this competitive set is significantly higher than the average for all 103 considered destinations (at 11.25%).

Competitive factor	Gent	Uppsala	Oxford	Lausanne	Aarhus	Leuven	Average set	Average top 103
Meeting venues	11.92	7.58	5.80	17.95	13.97	4.06	10.21	18.65
Hotel offer	5.13	5.86	4.44	5.07	6.24	4.06	5.13	13.79
Air access	0.60	0.56	0.55	0.52	0.52	0.61	0.56	9.33
Association community	20.41	18.39	20.65	17.99	16.58	21.06	19.18	11.25
Destination appeal	3.71	3.35	7.78	3.72	3.67	3.80	4.34	4.38
Costs	14.66	13.98	16.38	7.48	9.75	14.73	12.83	11.17
Logistics	6.68	13.79	7.19	9.43	12.74	13.95	10.63	5.62
Market size	6.37	5.88	7.33	5.50	5.44	6.48	6.17	5.33
Economy	8.82	8.48	8.27	8.96	8.14	9.03	8.62	5.62
Business environment	12.64	13.14	12.96	12.26	12.36	12.94	12.72	8.76
Social factors	9.07	8.99	8.65	11.13	10.59	9.28	9.62	6.10
Total	100%	100%	100%	100%	100%	100%	100%	100%

Relative contribution of competitive factors to destination success in %

It is interesting to highlight the relationship between two key factors for all top 103 destinations. Here, the relative contribution of association community strength is 11.25% compared to the relative contribution of destination appeal of 4.38%. GainingEdge's thesis was the top destinations in the world achieve strong results on the basis of their academic potential and not by promoting their destination attractions – this is now quantitatively confirmed. It is also supported by the fact that among the top 103 destinations are 6 academic towns while destinations of similar size, which are typical tourist centres, are not so well positioned.

To identify their own competitive advantages and disadvantages, each destination can analyse its position compared to the others, as well as compared to the set average, for each of the competitive factors. If its position is better than average, then that factor actually represents a competitive advantage the destination should exploit in promotion, branding, sales activities, bid proposals, etc. On the other hand, if it has a weaker position than average, then that factor represents a competitive weakness and the destination needs to respond creatively, but likely also work with industry and Government to overcome these gaps.

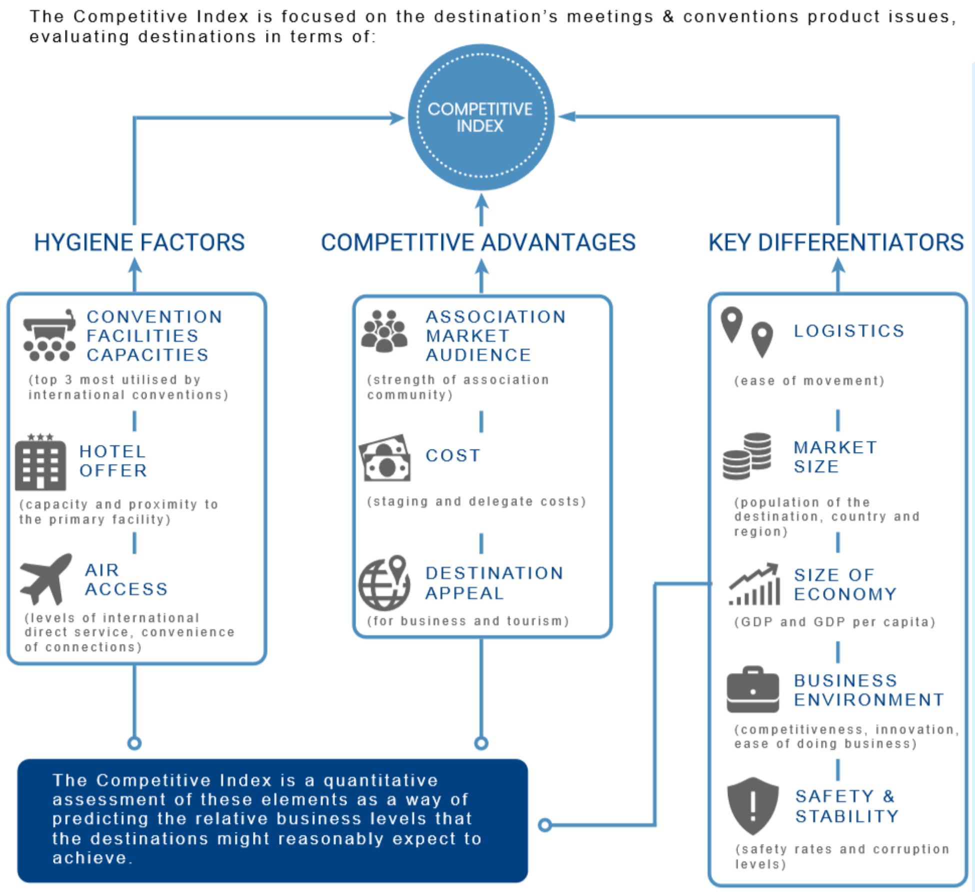
Within this competitive set, we can see Aarhus and Lausanne have the highest competitive score while Gent has the most international association meetings. Considering their competitive points we find the greatest advantage for Aarhus and Lausanne is the availability of larger meeting facilities. However, the relative contribution of this factor in this set is only 10.21% so the significance of this factor is relatively small as the meeting venues in these cities are not large. In contrast, the contribution for the top 103 destinations is 18.65%, indicating venues are a greater factor for other destinations. Finally, we can see Arhus and Lausanne have disadvantages as they are relatively more expensive than the others and so should consider how to overcome this gap.

Ratio analysis can provide concrete data on the relative importance of each of the competitive factors within a competitive set. It can also provide specific analysis for a destination about its competitive advantages or disadvantages helping to highlight what needs to be addressed.

GainingEdge

Our Methodology

The Destination Competitive Index 2019 examines the relative competitiveness of destinations that are the top 100 performers in the ICCA annual ranking of cities based on their number of hosted international conventions. The cities included in this year's index are those listed by ICCA as having hosted 82 or more international conventions over the three year period 2016 – 2018 (exactly 103 destinations in total).



We kept methodology as it was in the previous 2018 edition and established the same 11 competitive factors of destination selection by international meeting planners. These are:

- Convention facility capacities (top 3 most utilised by international conventions)
- Hotel offer (capacity and proximity to the primary facility)
- Air access (levels of international direct service and convenience of connections)
- Destination appeal (for business and tourism)
- Association market audience (strength of association community)
- Cost (staging and delegate costs)
- Logistics (ease of movement)
- Market size (population)
- Size of economy (GDP and GDP per capita)
- Business environment (competitiveness, innovation, ease of doing business)
- Safety & stability (crime rates and corruption levels)

A destination's strength in each of these factors is assessed based on 30 indicative data points, including 3rd party indices, other information sources and primary research. The external data points include those provided by ICCA as well as other respected reports by organizations such as the World Bank, the World Economic Forum, United Nations, etc. Each factor has been assigned a weighting and we have developed a model to calculate a point score in each category for each city. Over all of the factors, a maximum 1,000 point scoring system has been applied. The weighting system applies 45% of the possible points to what are commonly referred to as destination "hygiene factors" relating to capacity – convention facilities, hotel offer and air access. The remaining 55% of the weighting is spread over the remaining 8 factors based on independent studies of meeting planner perceptions of the relative importance of the factor in their decision making processes.

- **Destination Marketing Strategy**
- **Association Consulting**
- **CVB Establishment & Support**
- **Convention Centre Development Advisory**
- **In-Market Sales Representation**
- **Talent Acquisition**

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