

Winning a Tough Bid and the Value to a 2nd Tier Destination Convention Bureau Environment - Part II

Mike Cannon

Owner, Mike Cannon Business Events – Asia Pacific (MCBE)

Business Events, ICCA, Tough Bid, Convention Bureau Environment, Sarawak Convention

DOI: https://doi.org/10.63007/QNZX2250

Winning a Tough Bid and the Value to a 2nd Tier Destination **Convention Bureau Environment - Part II**

Mike Cannon

Owner, Mike Cannon Business Events – Asia Pacific (MCBE)

Practitioner Report

Corresponding Author

Mike Cannon, Owner, Mike **Cannon Business Events** - Asia Pacific (MCBE)

E-mail

mikecannon.be@gmail.com

How to cite this article

Mike Cannon (2023). Winning a Tough Bid & The Value to a 2nd Tier **Destination Convention Bureau** Environment Part II. International Journal of Business Events and Legacies, 2(2), 90-104

DOI

https://doi.org/10.63007/ QNZX2250

Date of Submission

2022-09-02

Date of Acceptance

2023-09-23

ABSTRACT

The paper is to provide a greater understanding of the bidding process to convention bureaux team members outside the field of bidding, allied supporters such as suppliers and government aka ministry, and students of business events. The paper talks about the bidding challenges, and importantly, the key benefits of winning events such as these, to the convention bureaux of the world, to society, and of course the community of a destination. The story is naturally bigger than this paper provides. For example, this study is developed from a 90-minute PowerPoint presentation and workshop developed by the writer.

KEYWORDS

Business Events, ICCA, Tough Bid, Convention Bureau Environment, Sarawak Convention

Cannon

International Journal of Business Events and Legacies 2-2 (2024), 90-104 DOI: https://doi.org/10.63007/QNZX2250 | ISSN: 3036-034X



Part 2 – Continuing the story; Winning and Learning

Preamble: In Part 1 of the paper, I addressed the logic of making the bid, the valuable learning opportunities of the first stage, some of the challenges as well as solutions and actions taken to address the final bid.

This second segment of the paper addresses the most significant challenge to this particular bid, the solution, the outcomes, and the reasoning related to the result. Then I will address our second opportunity to bid. Finally, I will address the core benefit to Sarawak's convention bureau resulting from the bid process.

Challenge No. 5 – Something always goes wrong. Guaranteed!

The next stage, i.e. following on from the site inspection by ICCA's CEO, was to address core requirements leading up to the presentation of Kuching's final bid at IMEX in Frankfurt in May 2013. In essence:

- 1. Fully understanding the 'Bid Process' for ICCA's Board of Directors (BoD)/ selection committee in Frankfurt,
- 2. Gaining full support from all parties of the destination, and
- 3. Creating an implementation plan to address key requirements based on the timelines. For example:
 - By March 2013 Input to SCB for bid Version No. 2 from the full spectrum of industry partners following vigorous consultation before, and as a result of ICCA's CEO Site Inspection mentioned earlier,
 - By April 2013 Bid Committee to review the draft bid,
 - By April 2013 Final approval of the bid by key parties, i.e. the host (BCCK), SCB's BoD, and ministry,
 - By April 2013 Lodge the final written bid with ICCA, and
 - Prepare, role-play, and practice for the in-person element of the bid scheduled to take place at IMEX in Frankfurt in May 2013. More on this aspect later in this paper.

Easy? Well, not really. Here is a prime example of what can go wrong. And a solution to the challenge. Remember that we had to get everyone involved with BE to be part of the bid. This included the Federal Government of Malaysia. ICCA insisted on evidence that the host city and the state and federal governments firmly supported the bid. The challenge here was that, in the timeframe outlined above, the federal government called a national election. This in turn meant that it was prohibited by law for the government and/or its current parliamentary members to support or endorse initiatives such as the bid for ICCA 2016. Hence, the federal minister could not confirm his travel with us to make the bid. Nor his support. Nor could our chairman who, at the time was a federal member of Malaysia's parliament, confirm his participation. The prime minister was not able to issue an invitation. All key requirements!

The challenge? We had to find a solution. The solution? A think-tank on the challenge suggested that a quasi-government body by the name of PEMANDU could be the answer. PEMANDU was established by the Malaysian government to lead change in the country and to ensure that its national transformation programmes were successfully delivered. PEMANDU (now a private entity), was headed up by an appointed senator (not elected, i.e. we did not break the law), Dato Sri Idris Jala, who incidentally is a Sarawakian. Dato' Sri Idris kindly agreed to video a message of full support by the federal government, which he could – in his appointed role – and he also appointed a senior executive of PEMANDU to work with the Bid Team, an enormously successful initiative leading to invaluable input. Dato' Sri Jala's video presentation provided the business case from Malaysia's perspective, and in particular, it outlined the core benefits to:

- 1. ICCA,
- 2. ICCA's membership,
- 3. The Malaysian BE community, and
- 4. To the people of Malaysia (specifically), and not only to Sarawak.

Challenge solved. I overemphasize this issue to point out that there will be significant challenges, and that *the best way of solving challenges is broad consultation with relevant parties*. Discussion leads to solutions.

<u>Challenge No. 6 – Preparation for the final presentation.</u>

It is all about the process - know what has to be done to make the sales pitch work. This is where consultation with the former winners and also runners-up pays off.

With the first element of the bid in San Juan, it was made clear to us that our key competitor was the beautiful city of Prague, "the political, cultural, and economic hub of central Europe". Geographically, it was closer than Kuching to most of ICCA's membership (at that time). Off the record (then), we were also advised that Prague had focused on their benefits to ICCA, i.e. the *organisation*, whereas our first bid

focused on the benefits to ICCA's *members*. This was a disturbing issue to us. And consequently, a further challenge.

Another challenge tabled off the record by ICCA's top brass was that Prague, being geographically close to the then majority of ICCA members, was closer than Kuching - (where on earth is Kuching?) - thus cheaper to visit in time and money. We could not argue that point with the selection committee, "even though ICCA is a global organisation". An internal consultation among the team members of Sarawak's bid led to the conclusion that we had to address the emotional aspect of ICCA's decision-making process.

Do your homework and study the culture of the target association and its bid selection committee. The ICCA congress is an emotional environment. Delegates are with friends, industry colleagues, and clever people of the same character. It is a non-competitive environment. There were a lot of laughter during the 3-4 days, and a fair bit of weeping at forums like the marketing awards. And as tough as ICCA's selection committee was, our research showed that they fell into that same emotional environment. The consultation process indicated that we had to "seduce ICCA's selection committee". The team at SCB, BCCK, and their supporters got on with the job of producing a very classy, emotional, but business-oriented presentation for Frankfurt. I will share the objectives by presenting the team-makeup with you over the page. But first, let me share the key element to making this particular in-person second stage of the bid, and, I suggest, to any bid, simply tempered to suit the value to the bidding destination:

- 1. Get the top brass of your destination and/or subject matter behind you. Even if you are going in solo; get an endorsement, better still an invitation by letter or video. Make sure the person or organisation you are targeting knows the weight or clout of this endorsement,
- 2. Gather your team, and
- 3. Perfect your presentation by role-playing. In this regard, practice, practice, and practice. And importantly, contract a specialist to coach the team. For example, SCB used the enormously talented Tina Altieri, an "International Speaker, Trainer, Facilitator & Coach Empowering Business Leaders to Communicate with Impact & Influence." Perfection is crucial.





Here is the team and their specific, well-rehearsed roles:

Each Bid-Team member had a very specific role, with a supporter, i.e. backup 'just in case'. Here are those specific roles, left to right, and you need to keep in mind that each element is vital in the process of bidding:

- 1. Ms Diong, then sales manager international for BCCK. Diong was there to lend support to the-then CEO, Paul D'Arcy. In post-presentation dialogue; to answer questions regarding infrastructure from ICCA's BoD;
- 2. Ms. Aldia Lai is a Malaysian-based BE destination management specialist working out of Kuala Lumpur, and a key adviser on the ICCA 2016 working committee. Aldia was there as a backup to the officers from MyCEB and along with Ms Gracie (see below), to represent the private sector;
- 3. Mr. Paul D'Arcy, BCCK's CEO as Host for ICCA 2016. Paul was there to manage the videos, PowerPoint, and music, and also to present details of infrastructure that would be supplied to the congress, i.e. infrastructure at BCCK and elsewhere in Kuching;

- 4. Mr. Dylan Noel, our storyteller, then SCB's Research Officer and man of great dialogue. Dylan's role, along with the lady on his left (Mdm Gracie Geikie), was to tell a story of Kuching and Sarawak, its love affair with ICCA, the development of our bid, what is 'in it for ICCA' as an organisation, and the activity we planned for ICCA's members, i.e. congress delegates. Both Dylan and Gracie arrived in business attire and slowly, as the story evolved, changed into tribal gear, thus portraying SCB's then destination call-to-action: "Where Business Meets Adventure";
- Mdm Gracie Geikie of Place Borneo, one of Sarawak's leading destination management specialists (DMC). A storyteller working with Dylan to present the highlights of Kuching and the culture of Sarawak on the Island of Borneo;
- 6. YB Tan Sri Muhammad Leo Michael Toyad bin Abdullah, SCB's then Chairman, Member of Malaysia's Parliament, former Federal Minister of Tourism, and former Deputy Minister for Foreign Affairs. Tan Sri Toyad presented the official invitation from the Government of Sarawak, and the official bid document accompanying the in-person presentation and was with us to specifically address questions on matters of responsibility by state and federal governments;
- 7. Miss Jennifer Ong, a senior business development executive with MyCEB (Malaysia's Convention & Exhibition Bureau), there supporting MyCEB's CEO;
- 8. YBhg Datuk Zulkefli Haji Sharif, MyCEB's then CEO. Datuk Zul (as he was affectionately known), was there to present the BE case for Malaysia, and to firmly position the support by the BE community of Malaysia;
- 9. Mike Cannon, then managing director of SCB and the author of this paper;
- 10. Angeline van den Broecke, formerly Liu. Then director of sales and marketing for Kuala Lumpur's Convention Centre, and there to fully support their fellow convention centre in Malaysia, the event host; BCCK;
- 11. And by Video: The Business-Case presenter, Dato' Sri Idris Jala (see Challenge No 5).



96 Winning a Tough Bid and the Value to a 2nd Tier Destination Convention Bureau Environment - Part II

Challenge No. 7 – The final presentation, at IMEX in Frankfurt in May 2013

Prague was the first destination to present their final bid on a lovely sunny morning in Frankfurt. After a couple of hours, Prague's team passed us in the waiting room on their way out; all smiles. We chatted, looking for clues (non-forthcoming), and decided to have lunch together once Sarawak had presented its case. I mentioned this to reinforce the wonderful camaraderie between ICCA members, i.e. we may well be competitors, but we always remember that business events rotate, and new destinations are often recommended by ICCA's destination membership.

We met with ICCA's BoD - and were invited to present our case. We knew that the ICCA BOD would assess Kuching's bid based on 11 criteria (criteria changes, sometimes annually, so do your homework) and that they would vote in two elements; combining the scores of the first submission in Puerto Rico (see challenge No 2), and the in-person presentation on the day to determine its selected destination.

In summary, here is the plan of presentation:

- 1. We had to ensure and portray the fact that we fully understood the bid and decision-making process and prove that we could meet the salient points from the bid criteria - and our understanding of ICCA's culture. Key points for example:
 - 0 The final bid document is factual, i.e. we had to give evidence that we had used the site inspection to ensure claims in our bid were factual;
 - The presentation must be emotional (not a written rule, but a given unless your research 0 suggests otherwise; it's all about the research);
 - We had to show full support from industry and government; 0
 - We had to show that we knew our place, e.g. where our destination sits in the rankings of ICCA, 0 and on this note;
 - We had to share proof of value with the association (ICCA), and its members, such as о
 - ICCA's Member Advocacy Plan targeting second-tier cities,
 - Exposure of ICCA members to the unprecedented growth of ASEAN economies,
 - Bringing the ICCA congress to Southeast Asia, three years after being held in Shanghai, would show ICCA's strong commitment to the region, and would contribute to ICCA membership growth in the Far East and South East Asian economies.

The elements of the presentation and results

It is difficult to portray in writing how clever and joyful Kuching's in-person live presentation was. It would need the brilliance of writers such as Malaysia's Tan Twan Eng (The Garden of Evening Mists), or the American poet and singer Leonard Cohen to do justice. But I was beyond proud to be part of the endeavour while watching our final Bid Team do their stuff. Practice makes perfect at its best. The presentation produced tears of joy and laughter, plus very serious questions from ICCA's BoD. We were ready to answer them (it is all about the preparation). For example, we were asked how we could ensure the costs would remain protected based on the then significant fluctuation of foreign exchange. Our chairman, YB Tan Sri Muhammad Leo Michael Toyad bin Abdullah, immediately stepped in to answer as he was the one designated for our role-playing. He firmly and politely informed the BoD that Malaysia already held reserves of the Euro and US Dollars and that when we won, we would peg the required currency holdings to the ICCA congress. You could have heard a pin drop. The chairman's response floored the audience (and us, incidentally), and then there was loud applause.

We ended our presentation in a room filled with goodwill and left the meeting satisfied that we had done our homework to the fullest extent, but cognizant of the fact that our honourable competitor – Prague – had made an impression. We had a joy-filled lunch with our industry colleagues from Prague, and then went about our business until IMEX's luncheon the next day – when the 2016 congress destination would be announced, or I could say 'when the winner would be announced'. But there are no winners or losers in this environment, only opportunities – remember, at the risk of being repetitive; most, smart business events rotate their destination.







International Journal of Business Events and Legacies 2-2 (2024), 90-104 DOI: https://doi.org/10.63007/QNZX2250 | ISSN: 3036-034X

The benefits to a convention bureau promoting a 2nd Tier Destination

I am pretty certain that most of you reading this paper will be aware of the core benefits brought to society or the community by business events⁵ won for that society's destination. (There is a link at the end of my presentation if you require greater detail). The focus of this part of the paper is to share the main benefit, and one could call it a recommendation, to the type of establishments tasked with the role of marketing and winning bids for a destination.

As ICCA's Chairman stated after Challenge No. 7: "Kuching stood out..... as a whole country bid involving all our Malaysian members, and presented as part of a sophisticated national development strategy." But I can assure you, it was not easy. The greatest challenge we had was to get everyone involved. By 'everyone', I mean every state and federal government ministry and agency, the many suppliers and industries beyond visitation⁶, and even suppliers to the visitation sector (that should automatically support a bid), e.g. hotels, coach companies, restaurants, and tour operators. The bid committee, and in particular BCCK (ICCA 2016's host), and the convention bureau's staff had to work hard to gain this support. It was not a given. Simply, many did not understand the value of business events to society.

The Post Win Challenge: *How do we get government and industry to fully understand the role of a convention bureau and the benefits to society?*

Very few government departments understand the value to society of business events, even though many senior officers attend national and international conferences that relate to the continuing education and development of their particular area of responsibility. To a slightly lesser extent, the same applies to industry leaders. It remains a confusing challenge – because they all have meetings, and "meetings are the answer" to issues, to quote business event association executives of the USA when lobbying then-President Obama for support at the closing stages of the Global Financial Crisis in the early 2000s.

In 2005/2006, the then-head of Sarawak's government got it. For example, the Chief Minister (now Governor of Sarawak) Tun Pehin Sri Haji Abdul Taib Mahmud created the Sarawak Convention Bureau as a quasi-government non-profit (NFP) organisation reporting to a commercially oriented BoD, which of course included a representative from the government. He recognised the values of society, and that winning bids would help grow the economy to drive Sarawak towards being "a developed economy with high income by 2030," ⁷ equally recognising that while SCB was an NFP, it had to have a bottom-line report, i.e. 'Bids Won, and Bids Supported.'

The Solution: Create a new, well-resourced division at Sarawak's Convention Bureau to address Government and Industry Relations (GIR). For example, what Melbourne's convention bureau had successfully done in the early 2000s when facing similar challenges. Melbourne Convention Bureau's core business objective is to secure business events and incentive groups for Melbourne and Victoria (in Australia). To successfully achieve this, "we strategically align with industry partners to bid, win and host international conferences and other business events, in turn delivering tangible benefits associated with this business to our partners." That sums up the mission for a convention bureau's GIR division, but of course, it again goes much further as Sarawak's convention bureau values to society are clearly articulated in the following weblink:

Business Events Sarawak. https://businesseventssarawak.com/beslegacyinitiative/

Key figures, i.e. business executives, civil servants, and ministry officials rotate and move on. Therefore, it is paramount that the GIR division of a convention bureau is ongoing, well-resourced, and well-maintained. It requires broad and long-term thinking, strategy, refreshed tactics, and funding. So, as a consequence of Kuching's bidding for ICCA 2016 (and winning), I developed a new five-year strategy for SCB, a strategy that incorporated a new division of Government and Industry Relations to achieve this objective.

Conclusions

- 1. Winning a bid such as the annual ICCA Congress is an outstanding educational experience for any destination and its convention bureau;
- 2. Membership of ICCA by convention bureaux and centres provides those institutions with:
 - o the best marketing intelligence available in the business of business events,
 - o class networking opportunities, and
 - o productive business exchange opportunities.
- 3. Business Events provide a yield to a destination that goes way beyond tourism⁶,
- 4. To win a bid that is valuable to society, a destination in the words of ICCA's BoD "must involve the whole-of-destination", and

- 5. There will always be challenges and obstacles,
- 6. A core driver in this regard, i.e. beyond the traditional structure of a convention bureau, is to have a robust, ongoing department at convention bureaux to *fully address government and industry relations*.

If you would like to know more about the core duties of convention bureaux staff in a GIR environment, I recommend you contact Miss Amelia Roziman, BES's CEO, noting that Amelia headed up the second stage of Kuching's bid working group; driving an environment of creativity at its very best.

Notes

¹ IMEX "The Heartbeat of the Global Business Events Community": https://www.imex-frankfurt.com/

² PEMANDU is now a private organization, but background on the organisation can be found here: https://www.centreforpublicimpact.org/case-study/performance-management-delivery-unit-kualalampur

³ https://sg.linkedin.com/in/tina-altieri

⁴ Proven examples of support from the industry:



International Journal of Business Events and Legacies 2-2 (2024), 90-104 DOI: https://doi.org/10.63007/QNZX2250 | ISSN: 3036-034X ⁵ See notes on BE in Note No 6 below.

⁶ EXTRACT FROM PRESENTATION BY MIKE CANNON AS CEO OF SARAWAK'S CB TO UNIVERSITY STUDENTS AS GUESTS OF MYCEB (Malaysia Convention & Exhibition Bureau) DURING MALAYSIA BUSINESS EVENTS WEEK 2015, AN EDUCATIONAL FORUM BY INDUSTRY

We who have been in the profession of business events for a long time tend to use the terms "visitor" and "visitation" to describe our industry or profession (as I prefer to call it), rather than the generic term "tourism".

Have a look at the following table of pillars to see how we in the profession of visitation address the different types and segment the science of marketing of each pillar. I will have addressed this at the forum you attended on the 19th of September 2015:-



The Visitor

The key here is that, for all the pillars of visitation to be robust, they need to sit under one destination brand, and preferably one Government Department – my suggestion being Trade. *But, important to note is that the destination marketing organisations market and promote to their specific buyers separately. The logic? Because of the significant variance for each pillar/group in the decision-making process for a destination, i.e. the marketing science requirements of/for each segment differ significantly...*

For example, tourism marketing will not significantly influence Business-to-Business visitors, and Business Events marketing will mainly have a direct effect on companies, organisations and associations, not the leisure visitor aka the tourist.

The above chart represents the core visitor segments. What follows is, in summary, the generally accepted decision-making process:-

B2B = Campaigns by Government, e.g. Department of Trade, and business sectors, e.g. Chambers of Commerce & Industry to position the destination as a place to do business. Tourism products and services benefit from B2B business;

Tourism = Campaigns to target the *leisure* visitor who buys based on a destination's appeal to please. It is broader than that of course, e.g. travellers vs. tourists, VFR, and special interest visitors – there are around 64 segments. Campaigns are usually conducted by tourism bureaux;

Business Events (BE) = Campaigns to target corporations and/or associations that choose a destination based on its ability to address the business of the event, i.e. the subject content and the availability of products and services such as meeting venues, AV specialists and such like. Note: The *delegates* choose the conference based on the content of the event, the ability of products and services to address the business of the event, and in many cases, the destination appeal. Again, tourism products and services benefit from BE business;

Major aka Public Events = Campaigns to attract the domestic buyer, given that they are the primary buyers of such events, but broadened *to position the destination to the international consumer*. Driven predominantly by Major Event Departments, or the destination marketing organisation. Again, tourism products and services benefit from this sector;

Retail Visitors = The visitor seeking products and services not available in their place of residence. The marketing of this sector is often driven by circumstances, such as the lack of products and services from across borders, and in developed countries by partnerships between carriers, tourism agencies and retailers, e.g. hospitals, Chambers of Commerce & Industry members, stores and such like.

In the meantime, apologies – but it is pretty clear from my research that few, if any of you know what Business Events are about. So let me share the following established by the very successful business event community of Australia:-

What is a Business Event? In summary, Business Events fall into two distinct categories;

- 1. Association events such as congresses, conventions and exhibitions, and
- 2. Corporate meetings and events, i.e. anything driven by corporations such as incentives, product launches and franchises.

In detail; a business event is any public or private activity consisting of a minimum of 15 persons with a common interest or vocation, held in a specific venue or venues, and hosted by an organisation (or organisations). This may include (but is not limited to): conferences, conventions, symposia, congresses, incentive group events, marketing events, special celebrations, seminars, courses, public or trade shows, product launches, exhibitions, company general meetings, corporate retreats, study tours or training programs.

The demand for a business event is driven mainly by organisations choosing it as a forum to communicate messages, educate or train, promote a product, reward or celebrate, collaborate on issues and solutions, or generate resources (Business Events Council of Australia [BECA]).

Why the term aka sector description of 'Business Events'? "If there is one element which distinguishes us, i.e. Business Events from the rest of visitation (such as tourism), and stamps our close connection to communication and trade, it is the fact that the converging of our group in one place has at its heart; a **business** raison d'etre. It is not leisure, it is not a festival, it is not a sporting event. It is being held because of business reason/s, whether for exhibiting, marketing, launching, training, academic exchange, negotiating, diplomacy, rewarding ... it is all about business. It is all about business **communication** through **business events**. Even the scientific, professional, academic and government meetings – they are all about their respective areas of business".

This rationale was ratified by the Business Events Council of Australia (BECA) members in 2006 (The Business of Events, Elizabeth Rich 09FEB2006 in consultation with the business events sector of Australia (significantly), and abroad).

Given that this is how it all works, why do smart, clever, forward-thinking city, state and federal governments invest in convention centres and convention bureaux, or destination marketing agencies that specialize in promoting a destination host business events?

It is to address the significant yield beyond tourism – and the legacy moving forward.

⁷ https://businesseventssarawak.com/about-sarawak/sarawaks-7-key-focus-areas/.