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# BUSINESS INTELLIGENCE REPORT

#08, OCT/NOV 2018
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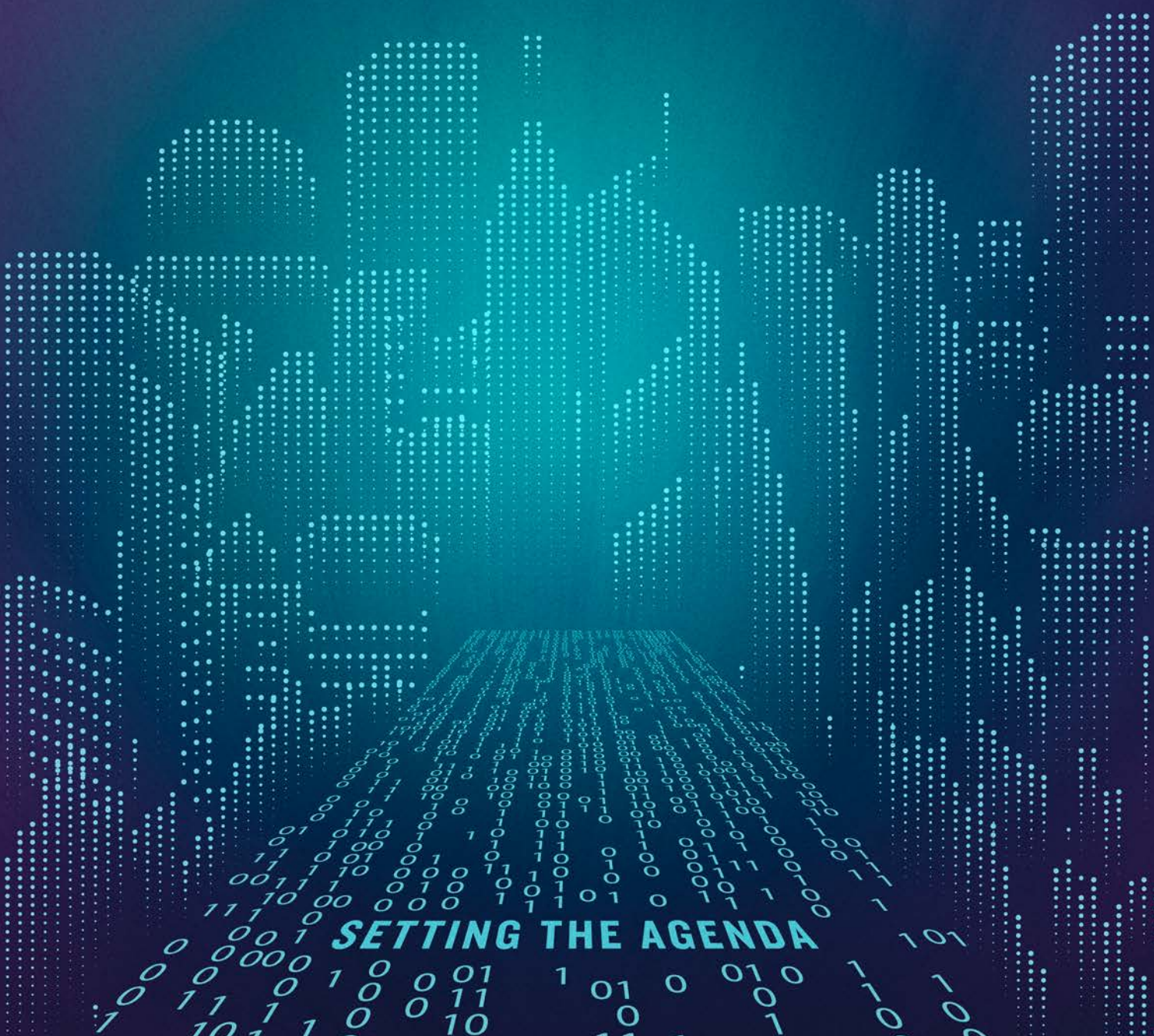
*FOR THE MEETINGS AND EVENTS INDUSTRY*



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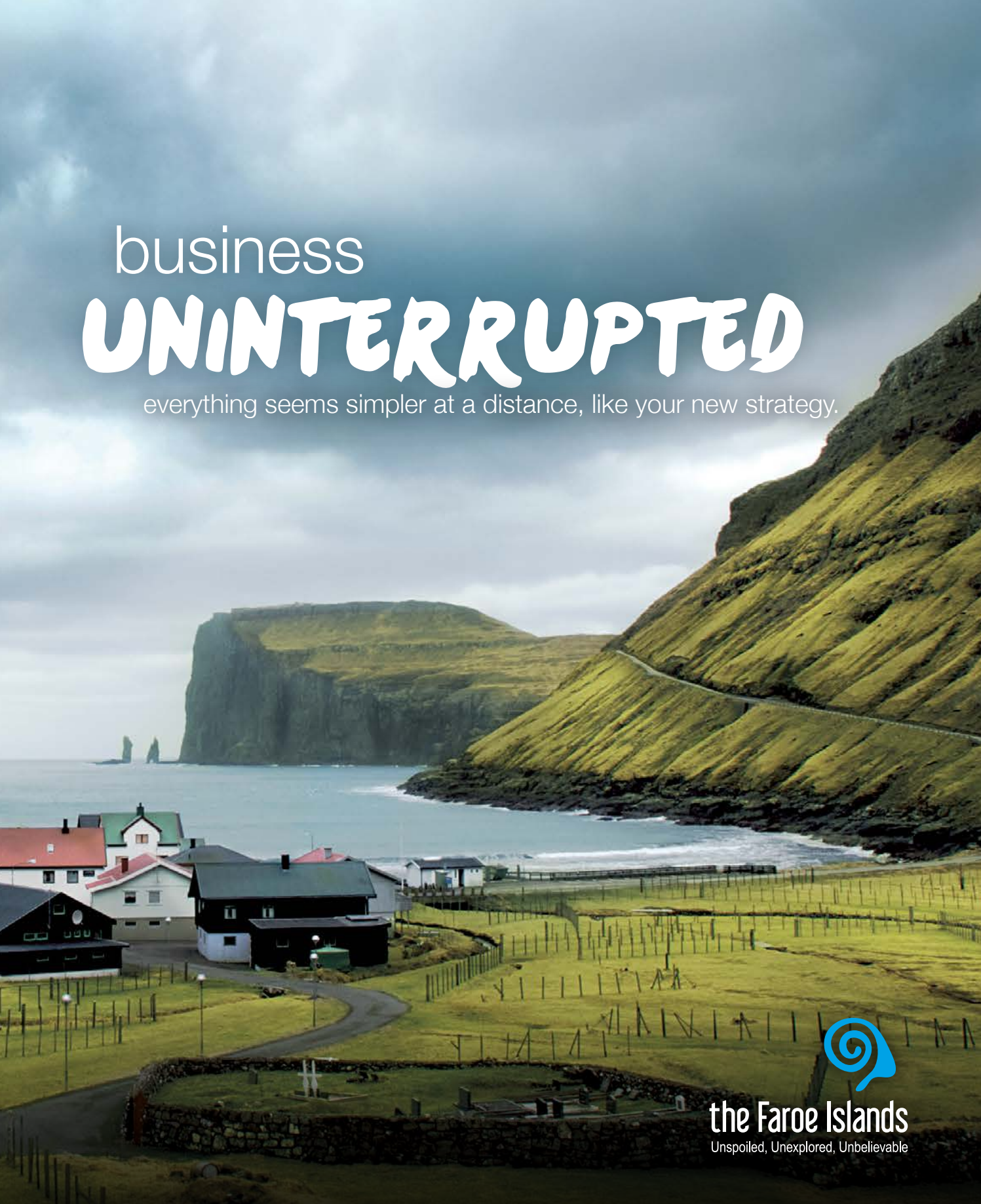
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# EXPERIENCE PENANG, UNFILTERED

## Penang, Your Next Business Events Destination

Up in the northern region of peninsula Malaysia is the world-famous state of Penang. Made up of Penang Island and Mainland Penang, this beautiful Malaysian state is a tropical paradise that is home to the UNESCO World Heritage Site of George Town.

Penang is one of the few authentic melting pots in the world, where multiple Asian cultures thrive through the mix of Penang's multi-ethnic people. This confluence of cultures sits at the point where the East and the West have been meeting for centuries.

Penang is a treasure trove of living heritage matched with gorgeous colonial and pre-war architecture. It is home to Malaysia's most vibrant arts and festivals scene and one of Asia's most colourful gastronomic culture. All of this juxtaposed against the backdrop of an international cosmopolitan city.

**The Penang Convention & Exhibition Bureau welcomes you to go beyond meetings and indulge in Penang's infinite Experiences Unfiltered!**

**Cultural Harmony**

Located within the bustling UNESCO World Heritage Site of George Town, the 'Street of Harmony' is the perfect example of Penang's beautiful diversity of ethnicities, religions and cultures. Here you will see the Indian Muslim Kapitan Keling Mosque, the Chinese Kuan Yin Temple, the Anglican St. George's Church, the Hindu Sri Mahamariamman Temple, the Catholic Cathedral of Assumption and the Chinese clan house Khoo Kongsi along the same street.

*Lion dance and stunts at Khoo Kongsi: A perfect harmony of culture and heritage*

**Lush Nature**

While Penang is a modern international city that is undergoing rapid development, it is very much a green city. In the heart of Penang Island is a 130-million-year-old rainforest that blankets the area known as Penang Hill. Here you can escape the city and breathe in the fresh air 833 m above sea level, complete with captivating sunset views. For something more adventurous, explore the trails of Malaysia's smallest forest reserve at the Penang National Park or take a boat ride to the secluded Monkey Beach.

*Zip-line outside Komtar's 65th floor: World's highest rope course challenge*

*Cycling tour at Balik Pulau: Explore the idyllic Penang countryside on wheels*

# PENANG DNA

## CONVENTION CAPACITY

PENANG ISLAND
**30,000**

MAINLAND PENANG
**4,000**

## ROOM INVENTORY

| | |
|---|---|
| Beach Hotel | 3,309 |
| City Hotel | 10,442 |
| Mainland Hotel | 3,464 |

*Cocktail Party 800m above sea level at The Habitat: Dazzle your delegates 800m above sea level*

**Extraordinary Venues**

Home to the world's first and only hybrid-solar powered convention centre and outstanding unique venues, Penang has plenty to offer in regards to meeting spaces. We hosted more than 2,000 Business Events in 2017 with the largest convention hosting 16,000 delegates from 70 countries!

**Gastronomical Fix**

Food is a common unifier in Penang and we take pride in the authentic styles of cuisine that we serve. Be it the authentic and colourful Penang Peranakan food, the spicy South Indian banana leaf fare, or Penang's raved street food, dining during meetings and conferences has never been this exciting!

**Knowledge Hub**

As one of the leading medical tourism destinations in the world, Penang is home to numerous cutting-edge medical facilities and has one of the highest concentration of medical specialists in the region. It is also home to over 470 multinationals, with the largests names in technology, medical devices and computing, setting up large campuses complete with R&D facilities.

Penang is also home to Malaysia's only APEX university, the University of Science Malaysia (USM), and over 10 private colleges. This unparalleled mix of knowledge sectors, expertise, professionals and facilities offers conferences and their delegates a wealth of resources for networking and knowledge exchange.

*World's only hybrid-solar powered Setia SPICE Convention Centre*

*Paperless business card exchange: Supporting conventions of the future with technology*

For more information on
Penang's Experiences Unfiltered

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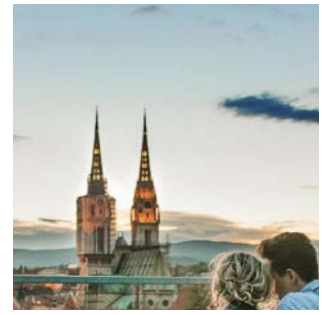
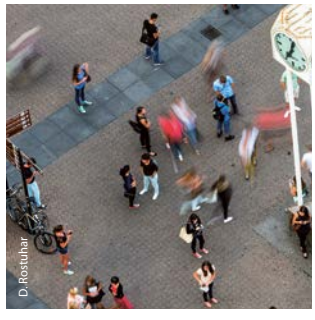
Full of life



# ZAGREB

## A SMART PLACE TO MEET

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Zagreb
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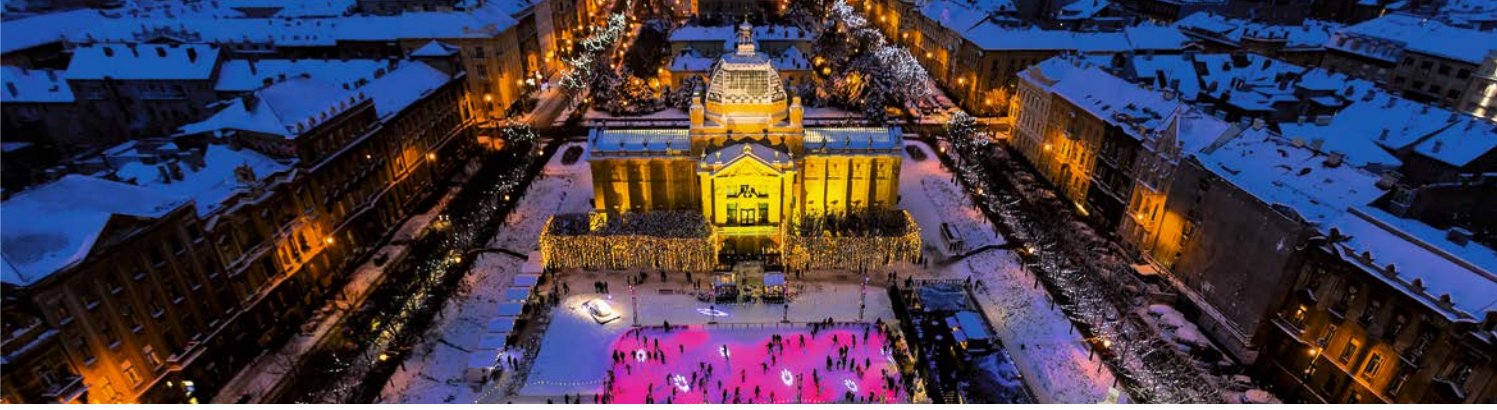

PHOTO Davor Rostuhar

# Zagreb – a Smart Place to Meet

Zagreb – the capital of the Republic of Croatia, is a classic, historic, Central European city featuring a distinctive Mediterranean way of life. The Franjo Tudjman International Airport and its brand new passenger terminal connect Zagreb directly to around 50 European and non European destinations and is served by 30 airlines, including Croatia Airlines – the national carrier. The airport is a convenient 20 minute ride away from the city center.

## What's Zagreb famous for?

- The administrative, economic, diplomatic, scientific and cultural capital of Croatia – locally tagged "city of a million hearts."
- The busiest meetings destination in Croatia.
- It houses 35 museums, 79 art galleries and collections, 26 theatres and 6 concert halls; the highest concentration of cultural institutions on a relatively small area in this part of Europe.
- The Zagreb University, one of the oldest in Europe, celebrates its 350th anniversary and presently boasts of 33 faculties and 70,000 students.
- The historic core of the city, the Upper Town and the Lower Town districts are packed with Gothic churches, Baroque palaces, Art Deco buildings offering a perfect historic set up for an unforgettable meeting, incentive or event.
- 30 elegant urban parks, some of them centrally located, stage numerous festivals and events all year round, as well as downtown squares and pedestrian zones.
- More than 1,500 festivals and events per year are held in the city such as Advent in Zagreb – the best European Christmas market for three years in a row, Zagreb Festival of Lights, International Flower Festival, Promenade Concerts, International Folklore festival and many others.
- More than 50 different thematic sightseeing tours, ranging from classic to more unusual ones such as discovering Zagreb's own solar system, taking part in Zagreb medieval legends, segway tours, nocturnal sightseeing tours etc.
- Total of 64 hotels, with additional three opening in the near future.
- Various hotel chain properties and a couple of fascinating heritage hotels.
- 4,500 restaurants and bars serving exciting gastronomic adventures from local delicacies to international dishes.
- Unspoilt nature and tranquil landscapes, romantic medieval castles, wine roads, spas and picturesque small towns in the surroundings.
- Less than a two-hour drive is the Adriatic coast area ideal for a memorable incentive or a pre or post tour.
- World famous Plitvice Lakes National Park included on the UNESCO World Heritage List is only a couple of hours drive away.

## Some must see attractions

- The Zagreb Cathedral's twin neo-gothic towers and a heritage from the 12th century.
- The picturesque and vivacious Dolac food market in the open.
- The shortest world's funicular, part of the efficient Zagreb public transportation, connecting historic Upper and Lower Town.
- The noontime cannon – fired from the Lotrscak Tower every day since the 13th century.
- The Stone Gate – the only preserved entrance to the old city and the shrine of the saint patron of the city of Zagreb: Blessed Virgin Mary of the Stone Gate.
- St. Mark's Church with its colourful roof, overlooked by the Croatian Parliament and government buildings.
- Museum of Broken Relationships which welcomes new lovelorn contributions.

The secret recipe for a successful Zagreb meeting or a conference, memorable incentive or a fascinating event includes a rich variety of carefully selected historic and modern venues, world class hotels, top quality PCOs and DMCs, highly professional staff and excellent service. Combine them together according to your preferences to get a unique tailor-made Zagreb experience.

For more information please visit *www.meetinzagreb.hr*

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Bleisure Gangwon

# The Natural Beauty of Gangwon, South Korea

## The Natural Beauty Of Gangwon Province

Gangwon Province is the region where the largest number of tourists visit during the holidays in South Korea. You have heard of Seoul, but on the other side of South Korea, there is an enchanting and magical coastal area known as Gangwon Province. Its serene beauty and natural wonders made Gangwon the ideal location for the 2018 Winter Games, but there is so much more to the area, which is truly a playground year-round. With its breathtaking scenery, legendary seafood restaurants, beautiful temples and brilliant beaches, this seacoast province is famed throughout Asia as the place where adventure awaits.

Gnagwon Province, the nation's favorite vacation destination, is also almost a synonym for wilderness and nature for Korean people. Gangwon Province is the choice destination for Korea's large urban populations, when the urge to escape their routine and recharge their body, mind and soul drives them out of their concrete jungles. Visitors to temples nestling in deep mountain valleys to recover peace of mind and exhilarating outdoor activities amid unspoiled nature are the things that make Gangwon Province irresistible.

## Gangwon MICE : variously sized convention facilities

Gangown Province is best fit destination for international event and a wide array of teambuilding activities based on a diversity of cultures, Gangwon province is living up to its reputation as the best travel destination for international MICE groups in Korea. 2018 Pyeongchang Winter Olympic Games brings establishment of new accommodation and possible meeting venues, plus a new high-speed train called KTX reducing the time travel between Gangwon to Seoul & Incheon from 5 hours to 2 hours.

## The Only divided Province by the DMZ in the World

Gangwon remains directly effected by in South Korea's troubled history, with the Demilitarized Zone(DMZ) still cutting off the third of the province that lies in North Korea.

After the Korean War ended in July 1953, a 250 kilometer-long, 4 kilometer-wide cease-fire zone known as the Demilitarized Zone was established across the middle of the Korean Peninsula at the 38th parallel north. In addition, a Civilian Control Line called "Mintongseon" was created bordering the DMZ to restrict access to that area of land.

The DMZ vividly captures the scars and wounds of the Korean War as well as the wishes and hopes for the future.

GWCVB
Gangwon Convention & Visitors Bureau

Gangwon Convention & Visitors Bureau (South, Korea)

**visitgangwon.or.kr**

# A Lasting LEGACY

**WE HAVE HEARD** the term sustainable development for some time now, particularly in the context of global climate and environmental change. In a broader sense, the term can also be defined as meaning development that meets the needs of today without jeopardising the possibility for future generations to meet their needs. Ultimately, sustainable development is about taking responsibility.

In the international meetings and events industry, the term legacy is becoming increasingly popular in the context of long-term approaches. Legacy is hardly a new term. The first known use of *legacy* was in the 15th century.

The idea of leaving a legacy is the need or the desire to be remembered for what you have contributed to the world. In some cases, that contribution could be so special that the universe is unalterably changed. But most of us mere mortals will not leave behind anything like a world-changing legacy, just a lasting footprint that will be remembered by those whose lives we touched.

Legacy is also about the knowledge that is handed down from one generation to the next. There are people who claim that our personalities are influenced by the three previous generations. What should each and every one of us leave behind that will make our work memorable? Which of our actions and decisions create better conditions for the generations to come? Is the idea of legacy built into the DNA of the company or organisation you are working for?

In Dubai they are also thinking in these terms, not least leading up to Expo 2020 Dubai and what follows on from there. The emirate's legacy vision is committed to building long-lasting and sustainable legacy in many industries and areas. The EXPO 2020 organisation anticipate that 80 per cent of Expo 2020's infrastructure will have practical value far into the future. The overall aim is to create a long-term legacy of collaborations and innovation for human progress through an economic legacy, a physical legacy, a reputational legacy and a social legacy.

Legacy planning has been underway since the earliest stages of Expo preparations, to maximise the opportunities for short, medium and long-term benefits. The legacy planning framework is comprehensive and designed to ensure that the objectives will achieve maximum impact for the host country, participants, visitors and the wider community.

A legacy does not retire, quit, or go away. One's legacy is something that is passed on to others you have influenced, future generations, and people you may never meet in your lifetime.

So, the question is, what happens beyond legacy? What happens after Expo 2020 Dubai will be interesting. The true legacy lies in the future. Legacy is our biggest challenge, and it is also our greatest opportunity.

*Swedish-Indonesian* **ATTI SOENARSO** *has worked as a journalist for close to 40 years. She has worked for Scandinavia's largest daily newspaper, was TV4's first travel editor, has written for many Swedish travel magazines and has had several international clients. She has travelled the length and breadth of the world and written about destinations, people and meetings.*

PHOTO Magnus Malmberg

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# Daegu's Fertile MEETINGS INDUSTRY

TEXT
Robert Cotter

**AT THE HEART** of the south-eastern corner of South Korea, the city of Daegu is blessed by a humid subtropical climate that provides perfectly fertile conditions for the high-quality apples and oriental melons for which it is famous. Perhaps less widely recognised is that the city is also home to an equally fertile meetings and business events industry, one that is spearheaded by a highly focused convention bureau supported by a solid infrastructure framework, both of which are gearing up for notable enhancement in the coming years.

Established in 2002 as South Korea's first convention bureau and active from 2003, it is today a Daegu Metropolitan City government affiliated non-profit corporation with a budget that is 75 per cent funded by the city, 23 per cent by the national budget and 2 per cent through their own projects. The convention bureau hosts around 55 international events every year and also supports and organises around 50 further events. Through its work in 2017 to host a total of 63 UIA A- and C-type events the city was ranked 27th globally and 10th in Asia, underlining Daegu's prominence as a meetings destination, especially so for the branches of specific industries that the convention bureau has fixed its radar on.

"We have been exemplified for local specialised meetings, especially industry meetings. We are focusing on that and we need to focus on industry development using conventions, as these are our strong points," says Sung-tae Kim, Director General of the Daegu Convention Bureau.

Daegu is specialised in five new growth industries – Water, Medicine, Clean Energy, Robotics (IoT), and Cars for the Future – and the Bureau is promoting specialised conventions

in these areas to foster a stronger network among the public, private and academic sectors, as well as to maximise the positive economic ripple effect.

"The city is already in a favourable condition, considering it is well equipped with either a techno-polis or inno-polis [tech and innovation hubs] for each of the five major industries, which enables the related parties to maintain strong networks," says Sung-tae Kim. "Whilst we have been mainly engaged with inviting and hosting international events for the past 15 years, we are now planning to redirect our focus to building networks between MICE participants and related local organisations to exploit the economic effect of events.

"In the first half of this year our primary focus was therefore to invite international forums related to the five areas, and to connect the MICE participants and the existing local networks so it contributes to the local economy," says Sung-tae Kim. "Our job will be to help these networks to be operated more steadily and strategically, and to guide them to create specialised conventions in the region so that it will be a venue for knowledge sharing."

To nurture this more tightly-knit meeting fabric for the new networks to operate in as part of the strategic development of the key industrial areas, the convention bureau has been proactive in reaching out to the academic, commercial and local government sectors. This initiative has been further boosted by a Korea Tourism Organisation (KTO) project to promote conventions specific to each region in the country.

"The conventions specific to the Daegu region include textile, water, data convergence, optics, robotics, coffee, cosmetic medicine, fashion, climate change and IoT, the first three of which are designated by KTO and the other seven effectively developed and promoted by the local public, private and academic agencies," says Sung-tae Kim.

**"We will be working even more closely** to bring in more conventions as well as to plan and organise side events"

The convention bureau has been actively establishing and maintaining cooperative networks with local economic organisations, including local industry supporting agencies, Daegu Free Economic Zone (DGFEZ), Daegu Techno Park, the Daegu Chamber of Commerce and a number of other agencies.

"In 2016 we signed a memorandum of understanding to promote local MICE businesses and investment with the Daegu Techno Park, Keimyung University, the DGFEZ and the hosts of ten locally specialised conventions of Daegu. With this close cooperation with related organisations and economic agencies we have been promoting eight conventions that are specific to Daegu and that are also closely related to the five major new growth industries.

"The convention bureau also made a business agreement with Daegu Institute of Science and Technology (DGIST) and Daegu University about using cross-functional teams for attracting conferences and training related personnel, and we are also operating a MICE Ambassador Programme to promote networking among the influential personnel of the universities, with 30 ambassadors such as professors and doctors," says Sung-tae Kim. "We have regular meetings for the main purpose of the programme, which is bidding for international conferences."

"Helping build a network among an industry's influential people through locally specialised conventions can be a very effective and sustainable way for future events. For example, this year's Asia-Pacific Anti-Aging Course, which will be co-hosted by the Bureau and Daegu City, brought 50 heavyweight doctors who have built a tight network among themselves and closely work together for the event. This network is expected to greatly contribute to inviting and holding future international conferences here as well as promoting the local medical industry."

The activities of Daegu Convention Bureau have yielded not just their success in securing major events relevant to the city's key industry pillars, but also numerous legacy outcomes that have had a significant impact on regional and even national thinking. The 2015 Global Water Forum, by way of example, won in 2011 against competition from the UK, UAE and South Africa, played a key role in bringing in the National Water Industry Cluster and led to the passage of three subsequent bills about

IGEEC
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World's Top 10
Asia's Top 3
Korea's No. 1

water management. The 2013 World Energy Council was a cornerstone in declaring the 2030 Energy Self Sufficient City and also in the energy industry becoming one of the city's five strategic industries.

In the years ahead, the city is also making preparations to host the 2019 World Congress of Neuroscience, a field in which it is increasingly

**"Daegu is specialised in five new** growth industries"

establishing itself and for which central government has consequently committed KRW1.3 trillion (approx. USD1.15 billion/€1 billion) to promote it as a global leader. And in 2024 Daegu is scheduled to host the World Biomaterial Congress, winning the bid against the US, Japan and Australia, and is set to attract internationally renowned medical device companies to the city through 100 of the top global companies expected to attend. Building on these event coups the convention bureau is planning a number of its own initiatives to further enhance its potential to target business events relevant to the city's industrial strengths and to generate the economic multiplier effects of hosting meetings that complement the city's core economic and knowledge drivers.

"From 2019 we are planning to set up a MICE Participants Support Team, which will be in charge of organising public, private and academic partnerships," says Sung-tae Kim. "By developing and attracting more conventions with events, forums and other meetings going on, we are looking to bring out the positive synergies between local and international companies, as well as domestic and international academia, such as the interchange of technology, investment attraction, academic exchanges and much more.

"Once we build this team with the main task of connecting business events and foreign visitors to our communities, a MICE Industry Centre is being planned and the Vice-Mayor of the city is very interested in this. It will be set up so that business events foreign visitors can give us even more benefits or legacies. We are looking at the potential for some very famous scholars or famous people to be able to give some lectures to the citizens when they come to Daegu, these will be the kinds of tasks for the MICE Industry Centre to achieve. We will build up the team in 2019 and then we need to make more and more specific businesses for business events supporting. In 2019 we will also make a development plan for the next ten years or so and will include the MICE Industry Centre in that."

The initiatives of the Daegu Convention Bureau in the coming years align tightly with some other key infrastructure projects, in particular the completion of the extension of EXCO, the city's flagship convention centre and main venue for meetings, which will be scaled and equipped to match the best convention centres around the world by the end of 2020. In hosting larger meetings and events, the new centre will also be able to function as a window to the city's other meeting venues, which in themselves offer exceptional opportunities to engage directly with the city's core industrial pillars.

The EXCO extension scheme is planned for completion by the end of 2020 and the scheme includes building more conference rooms and securing an additional 15,000 square metres, taking the centre to a gross 37,000 square metres and making it a convention centre on the global level. In addition to this Daegu also has the Global Plaza in Kyungpook National University and the Hotel Suseong can accommodate events for 500–1,000 people.

In addition to these venues Daegu also has infrastructure assets that showcase the synergy of a modern city and economic powerhouse. They include Sinseo Innopolis, DGFEZ and the Daegu Creative Economy Innovation Centre. Sinseo Innopolis is a public organisation cluster, offering networking opportunities with Korea's major public agencies. DGFEZ is home to medical and IT industrial complexes. And the Creative Economy Innovation Centre is located where one of Samsung's first affiliates used to be, now a nest for many of Korea's young ventures and a venue for nurturing and exchanging among young businesses.

"In fact, it is through the joint efforts of organisations from these assets that that we have hosted or been selected to host some major events, such as working with the Korea Industrial Complex Corporation to host the 2017 Cluster Competitiveness Conference as well as working with the Korea Gas Union to secure the 2021 World Gas Congress and the Korea Brain Research Institute to land the 2019 International

**"The convention bureau has been proactive** in reaching out to the academic, commercial and local government sectors"

Brain Research Organisation event," says Sung-tae Kim.

Taking their strategic growth to the next level and harnessing the lofty ambitions that Daegu has for its meeting industry will also mean tackling the significant challenges that accompany them, a task that the convention bureau is fully aware of and equipped to address.

"A practical challenge that we have has been a lack of accommodation in and around the centre, but as a result of Daegu's efforts to boost local tourism ten global hotel chains are planning to extend by 2020," says Sung-tae Kim. "Despite the accommodation challenge, with the help of neighbouring cities we were able to successfully accommodate 16,000 visitors to the 2015 World Water Forum. The accommodation issue will be put to rest by 2020 and with the scheduled improvements we are making an effort for the area surrounding the EXCO Convention Centre to be acknowledged as a MICE Precinct.

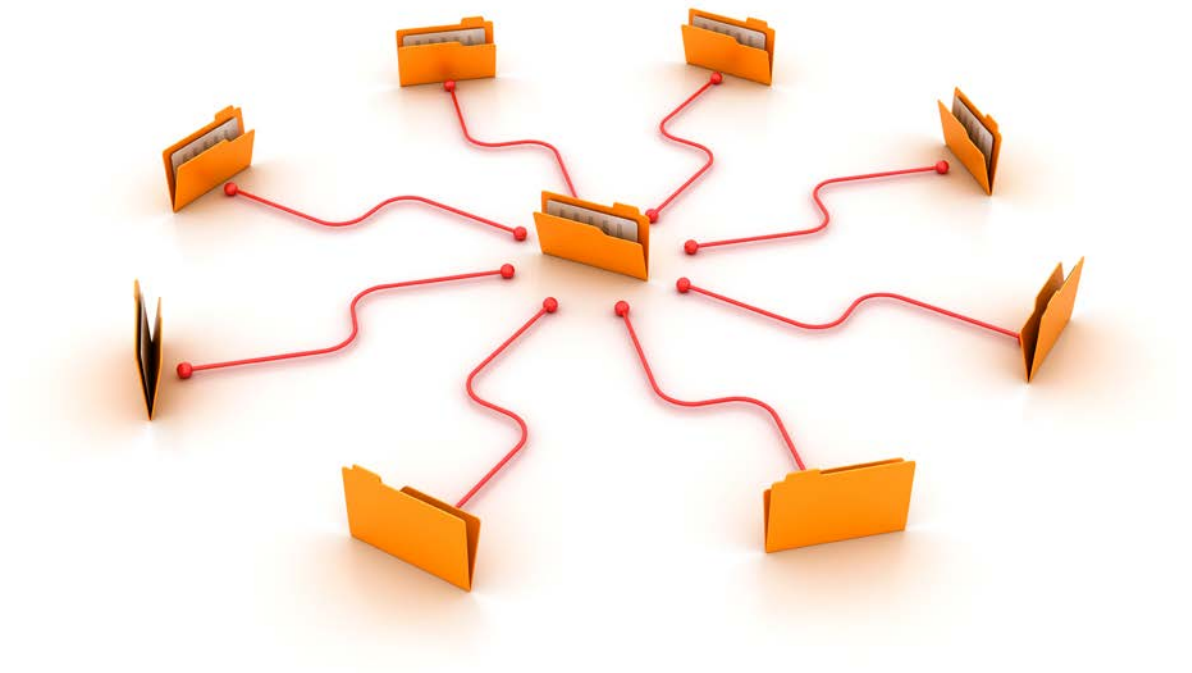
"In terms of delivering events, in 2017 and prior to the MFI (Multisensor Fusion and Integration) Robot Conference, the convention bureau and DGFEZ jointly organised an official local business pitch, but for the sustainability of efficient cooperation this needs to operate on a year-round basis to manage influential personnel. We also signed a memorandum of understanding in 2015 with the Daegu Techno Park and have been co-hosting seminars for MICE, investment attraction and creating business, but again a regular and strategic system is still not in place. We believe the MICE Participants Support Team will address these challenges and we will then be able to more systematically promote local business creation, the five major industries and global events for the benefit for citizens.

"Another challenge we are currently facing is to establish a closer and more strategic co-marketing system with companies. With the Samsung Creative Campus located in the city, we have requested and received support in hosting an event, however this was a one-off occasion. We keenly feel the need for a co-hosting system with companies in our related fields.

"To be a better business events destination, we are also working on the challenges of establishing a system to cultivate host industries for the continuous development and demand for conventions. We will also foster the local MICE ecosystem for business events and we are on track to establish the MICE Industry Centre to facilitate this. And lastly, for Daegu to be an ultimate business meeting destination we need to establish a stable collaboration system with the private sector."

With both the strategy for the years ahead and the challenges it presents already well in hand, for both its meetings industry as well as the key pillars of industry that are its role to support the coming years could prove formative in Daegu's next steps.

"We will be working even more closely to bring in more conventions as well as to plan and organise side events, involving international participants, local public, private and academic sectors," says Sung-tae Kim. "We will support the conventions as an economic channel for local enterprises to introduce products, bring in investment and promote business. We will also support exchange and interchange programmes for professors and students through conventions all the year round."



# Study Reveals Value OF KNOWLEDGE TRANSFER FROM 2018 CONGRESS

**THE EUROPEAN** Society of Radiology, the world's largest professional community in the biomedical field with over 80,000 members across 193 countries, in partnership with the Vienna Convention Bureau, has revealed the results of research conducted by leading market research firm, Triconsult.

The findings of *The Sustainability of Scientific Congresses – European Congress of Radiology 2018* revealed that the value of the professional time spent compiling, and the research funding associated with, the content of 3,331 papers presented at the European Society of Radiology's 2018 Congress, amounted to 813 million euros.

The findings were derived from a sample of nearly ten per cent of speakers responding to detailed questionnaires distributed by the society.

"We wanted to establish what value is associated with presenting scientific papers at scientific congresses," explains Christian Mutschlechner, director of the Vienna Convention Bureau.

Commenting on the importance of the study, executive director of the European Society of Radiology, Peter Baierl, says, "Our mission is education. We live in a world of numbers and everyone, wherever they come from, can go with those numbers to whomever is important; the public, the industry, or our customers – the doctors."

Monika Hierath, European Society of Radiology director of European & International Affairs and executive manager, European Institute for Biomedical Imaging Research adds: "Radiology is crucial in the diagnostic process of modern healthcare. But it is also playing a role in the entire healthcare pathway – for treatment

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**"We wanted to establish what value is** associated with presenting scientific papers at scientific congresses"

selection, monitoring, and assessment of treatment outcome. We attract researchers, industry leaders, and other stakeholders including policymakers [to the congress] from the European Commission but also international organisations such as the International Atomic Energy Agency (IAEA) or the World Health Organisation (WHO). This creates very fertile ground for knowledge exchange and knowledge transfer but also beyond the scientific community into practice, policies, and actions."

Commenting on the research findings Mutschlechner says, "We started in 1991 with Economic Impact Studies [measuring visitor spend]. For the European Society of Radiology's Congress you can expect an economic impact of 40–65 million euros when 20,000 visitors stay in Vienna for four days." But he concludes, saying "the value of the knowledge presented at the congress might range from between 500–850 million euros – ten times that of the economic impact ..."

Dr Felix Josef, chief executive of market research organisation Triconsult, which oversaw the study, says, "The point is not that it's 813 million euros, the point is that we have indication that it's a real big number – close to one billion euros."

Following the conclusion of the study, the European Society of Radiology and Vienna Convention Bureau worked with the Joint Meetings Industry Council (JMIC) communications resource, The Iceberg, to film reactions to the study from the investors.

On the significance of the research findings to industry advocacy and specifically in relation to the educational value of association meetings, JMIC executive director Rod Cameron comments, "This is confirmation of the deeper value associated with knowledge transfer delivered from professional meetings such as the European Congress of Radiology. It confirms what we have suspected but have seldom been able to qualify with this degree of precision until Vienna and the European Society of Radiology took this initiative."

"This will help associations to quantify the value proposition to future members of their scientific communities. It will also contribute to JMIC's Value of Meetings Case Study Program and industry storytelling by our members and The Iceberg partners – in this instance cementing the role it plays in supporting the knowledge transfer and educational legacies from events. I sincerely hope that other associations and destinations collaborate to establish similar value measurement as best practice while we as a 'meta' industry seek to demonstrate our contributions beyond those of business tourism alone."

The research framework, The Vienna Model, was devised by the Vienna Convention Bureau in partnership with the European Society of Radiology following Mutschlechner's initial reaction to a poll of doctors presenting at previous medical events held in Vienna.

# There Are No Excuses FOR MAINTAINING A LACK OF DIGITAL LITERACY

TEXT
Rohit Talwar

**HOW CAN WE** respond to technological shifts and create a genuine agenda for change that advances the prospects for all humanity?

**Enriching Humanity in a Digitised World** Below we outline a brief manifesto of 12 critical action areas that we must focus on as individuals, society, businesses, and governments if we are to avoid the risk of being overwhelmed by the scale of change on the horizon.

**1. Extraordinary Leadership** We need to develop leaders with a vastly expanded set of capabilities. What's good for business in the future will be ever-more intricately entwined with what's good for individuals, society, and nations. Our choices and their consequences will come under an exponentially more intense spotlight, and actions with negative outcomes could bring down businesses and governments at an increasing rate. Hence, the imperative must be to increase the investment in developing leaders who can understand and navigate a rapidly changing reality. Key here will be taking leaders out into the world to engage with those who are developing and implementing the ideas, processes, and technologies that are reshaping our world.

**2. Digital Literacy** Individuals, businesses, and governments alike need to acknowledge the central role of digital in all our futures, especially its relevance to our job prospects and to the health of economies and businesses. This means making the investment of time and money to learn about the technologies coming through, understand what makes them different from what already exists, and appreciate the scale of their potential impact. Governments can follow the example of Finland in providing a free online introduction, businesses should be prioritising and ensuring high levels of digital awareness, and individuals need to take advantage of the wealth of free content available on the internet. There are literally no excuses for maintaining a lack of digital literacy.

**3. Education Systems** Across the globe, education systems, corporate learning programmes, and adult education provision need upgrading. We need to ensure that these prepare people with the skills and awareness that will help them move easily from job to job and to create their own businesses. Proven accelerated learning models about that can help individuals acquire new knowledge and content rapidly. These approaches need to be accompanied with the acquisition of lifelong skills such as problem-solving, collaboration, scenario thinking, and conflict resolution.

**4. Evaluating the Exponentials** With governments and businesses, in particular, there is a tendency to be too slow and conservative in the

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**"We will see a number of new** industries emerge and hopefully generate jobs"

evaluation of and experimentation with emerging technologies. The result can be crisis responses when the impacts become far greater and more wide ranging than expected. Initial evaluations therefore need to take an outside-in perspective, drawing on input from outside the organisation and relevant discipline to gather a much broader set of views. The earlier we have a feel for possible-development paths, application opportunities, and potential impacts, the more comprehensive and effective our response strategies should be.

**5. Employer Responsibilities** In a world where technology may replace more jobs than it creates in the short term, we need a new debate about where the boundaries of employer responsibility lies. Be that helping staff with finding new jobs to paying higher taxes, the conversation and experimentation with different options needs to start yesterday. Equally, employers need to explore how they will navigate the boundaries between technologies that allow us to monitor every aspect of employee performance and behavior and the privacy, rights, and freedoms of the individual.

**6. Support for Job Creation** Governments and businesses alike will have an interest in ensuring that new meaningful jobs are created for those rendered unemployed by automation. Whether as customers or taxpayers, there is a need in the current economic model for people to be earning money. Hence, an expansion and improvement in the quality of retraining schemes will be critical, as will a massive increase in support for those wanting to start their own businesses. Experimentation is required to test out a range of options.

**7. Investment in the Jobless** A number of experiments are already underway with variants of guaranteed basic income schemes. Every nation will need its own exploration of policy options and to conduct experiments for how it will support potentially rising numbers of unemployed people, how it will help them retrain, and how it can address the broader societal consequences of declining employment.

**8. Creation of New Sectors** From human augmentation to autonomous vehicles and synthetic materials, we will see a number of new industries emerge and hopefully generate jobs. Governments need to assess the likely loss of jobs in current sectors. The results need to be compared to the potential for job creation through current levels of investment in research and development, supporting new ventures, and attracting inward investment. Where there are clear gaps, action needs to be taken rapidly to avoid the potential for a rise in long-term unemployment. Many of the new jobs will require the equivalent of a degree level education. This in turn points to the need to ensure anticipatory action in reshaping education curricula and supporting people to enter higher education.

**9. Addressing the Mental Health Issues** Across the planet, stress has become a growing challenge, with rising numbers affected and a massive associated economic impact. Addressing this means changing workplace cultures and management models, increasing provision of mental health support in society, and expansion in the number of people being trained to become therapists and counselors in the future.

**10. Technology Ethics** There is a challenge of trying to enforce

> **"Creating a very human future** doesn't require that we erase the past"

global standards and guidelines on technologies that nations see as a core source of future competitive advantage. There is also the concern about the weaponisation of technology and the protection of personal privacy. Nations and businesses alike have to take the lead in establishing clear codes of conduct on the technologies and their applications and demonstrate that they are holding themselves to the highest ethical standards. Citizen and consumer pressure will then act as a powerful lever on those who are slow to respond, although there will always be countries and companies that choose to sit outside such agreements.

**11. Draw Constructively on the Past** Creating a very human future doesn't require that we erase the past. It is important to honour human history and retain the positive aspects. Ways of doing so might differ between cultures and countries, but the essence remains the same: uphold values and behaviors that place people at the center of all agendas. If we carry forward the elements of our past that celebrate humanity in all its forms, we can build a very human future at every level of technological development.

**12. A Very Human Dialogue** The debate about whether particular advances harm or advance society's interests will rumble on, the key here is to maintain an open public dialogue. The challenge is to raise literacy levels and public awareness of the issues, so we can bring more citizens into the discussion to share their views on what society needs and wants as compared to what technology makes possible.

# What Would Happen
# IF WE REMOVED CARS FROM CITIES?

TEXT
Audrey de Nazelle

**AIR POLLUTION** is now the fourth biggest killer in the world after smoking, high blood pressure and diet. It contributes to more than six million deaths every year. The majority of these are in poorer nations. Worryingly, air quality may become increasingly worse with rapidly expanding urbanisation.

More than half the world's population now live in cities. By 2050, this will reach two thirds. As more people move from rural areas to cities, there will be more cars on the roads, more traffic congestion hotspots near homes and workplaces, and less green space.

City dwellers are already suffering from fumes and smog on their daily commutes. It's outrageous that we've reached a point where it's healthier for some people to stay inside and not exercise, rather than walk outside and breathe polluted air.

Why do nations, political leaders, experts and campaigning organisations want to reduce air pollution? The main reason is to improve people's health. But we can be bolder than simply mitigating this problem by trying to reduce particle concentrations. There is an exciting opportunity to go much further, and fundamentally rethink the way cities work.

Paradoxically, air pollution can spur us to transform public health and infrastructure, and change how we design cities in the future.

We currently spend a lot of time focusing on ways to reduce emissions or develop cleaner and more efficient fuels. Lawmakers apply taxes and levies or ban older cars in cities. The car industry is seeing a boom in hybrid and electric vehicles, which are much more environmentally friendly.

Of course, these solutions play an important role in cleaning up our urban air. But we are missing a huge opportunity to take a more holistic approach to the health and well-being of people living in cities.

For example, what if we rethought the purpose of our streets. Are they really just meant for cars to get from A to B? Or can we see them as a place to walk and cycle, where children play and neighbours meet?

By removing cars from cities, you are not just reducing emissions – there are countless other benefits. Researchers in London studied the health impacts of cutting emissions by two different methods. The first scenario used a technology-led policy, while the second promoted walking and cycling instead of driving.

Both scenarios resulted in similar levels of improved air quality. But the method which encouraged people to walk and cycle generated up to 30 times more benefits, due to health improvements from increased physical activity. I have carried out similar research in other cities and reached the same conclusions.

Sadly, current levels of air pollution may be putting people off from enjoying the outdoors and getting regular physical activity. A recent study in London compared the health effects of a walk in Hyde Park against one along Oxford Street. For people over 60, toxic air pollution cancelled out some of the benefits they got from the light physical activity.

And in some of the world's most polluted cities, such as Delhi and Beijing, cycling for more than an hour every day can do more harm to you than good.

Some cities have announced car-free or car-less visions, including Milan, Copenhagen, Madrid and Paris. Oslo plans to ban all cars from

PHOTO © iStock.com/borchee

**"What if we rethought the purpose of our streets.** Are they really just meant for cars to get from A to B?"

its city centre permanently by 2019. Chengdu in China is designing a new residential area in which people will be able to walk everywhere easily, reducing the need for cars.

Although it was forgotten for a while, we do have some history of planning cities with public health in mind. The urban sanitarians in the mid-1850s called for new planning strategies that included more green space, better ventilation through streets and increased sunlight into homes, to combat the epidemics of the time – cholera and the plague.

These people made their mark on their respective cities through a conscious effort of planning for better health. We're hoping to make similar strides again. Imperial's Network of Excellence in Air Quality aims to identify the next big frontiers in air quality research, collaborating across disciplines to deliver new insights. Scientists and researchers from medicine, engineering, business and other disciplines are coming together to share expertise and find solutions to some of the biggest challenges.

My colleagues, Dr Marc Stettler, Dr Laure de Preux and I will be exploring some of these issues with peers and global leaders at the World Economic Forum Annual Meeting of the New Champions in Tianjin in China later this year.

Like the urban sanitarians of nearly 200 years ago, we again have the opportunity to design our cities to improve public health. I have no doubt that we will get there, and that we will realise this new vision of what streets and neighbourhoods are for – a place for people to live in, not just cars. Why not start now, and start reaping the benefits?

*Audrey de Nazelle, Lecturer in air pollution management, Centre for Environmental Policy at Imperial College London. Published with permission.*

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غرفة دبي
DUBAI CHAMBER

# New Business Incubator LAUNCHED IN DUBAI

**DUBAI IS STEPPING** up efforts to promote the development of its small and medium-sized enterprise (SME) community, creating a new incubator to further strengthen the sector.

In late July Dubai SME – the agency charged with building capacity in the SME sector – launched the Co-working Popup, an incubator that provides business development programmes and a space for entrepreneurs to establish their own creative enterprises and for start-ups to incubate their businesses.

The Co-working Popup also offers training, advisory and mentoring services, which Abdul Baset Al Janahi, Dubai SME's CEO, told press was part of a wider strategy to provide an innovative entrepreneurship support platform and "contribute towards sustainable development and achieving a knowledge economy based on the concepts of creativity and innovation."

The incubator is one of the first to be rolled out under new regulations governing the licensing of business accelerators and incubators that came into force in March. The rules mandate that incubators be licensed through Dubai SME following an assessment and feasibility study and added detail to the terms of operation for accelerators and incubators.

These include providing workspace for entrepreneurs that are in keeping with the main activity for which the incubator is licensed; offering consultancy and guidance on project development; and making support available to implement innovations and apply the latest technology in product development.

The new incubator regulations reflect the growing importance of SME and start-ups to the emirate's economy.

Small-scale businesses account for 47 per cent of the emirate's GDP and provide employment for 52.4 per cent of its active workforce, according to a report released by the Dubai Statistics Centre in mid-July. This marks a significant increase from 2009, when the sector accounted for 40 per cent of GDP and 42 per cent of jobs, the report said.

While SMEs' contribution to the Dubai economy is increasing, the sector is not yet as prominent in the emirate as in the national economy overall, with smaller businesses representing 86 per cent of the private workforce in the UAE and contributing 60 per cent to national GDP.

In terms of size, SMEs account for around 95 per cent of all businesses operating in Dubai, with up to 70 per cent of these considered micro-businesses.

The latter – defined as having under 10 staff members and a turnover of no more than Dh9 million ($2.5 million) if in the trading sector, and a workforce of no more than 20 and turnover of less than Dh10 million ($2.7 million) if in services – though numerous, still only represent some 10 per cent of total employment in Dubai, a little more than half that of SMEs.

Facilitating the growth of these firms by offering incubation and other

PHOTO Atri Soenarso

**"Small businesses have an increasingly** large economic impact"

services is seen as key to making the most of their economic potential. To this end, the new regulations for incubators represent a first step towards the creation of an incubator network to further develop best practices in investment and innovation support.

While much of the focus of SME incubation is on tech start-ups, agencies are also looking to support other areas of economic activity, including agriculture.

In July, Dubai SME, the UAE Ministry of Climate Change and Environment, and the Mohammed Bin Rashid Establishment for SME Development signed a memorandum of understanding setting out plans to cooperate to support small-scale agricultural enterprises.

The programme will target SMEs operating or entering the agricultural, livestock breeding, fisheries and beekeeping segments, with a mix of technical, educational and funding support on offer.

Under the agreement, Dubai SME will provide counselling and guidance to local entrepreneurs to introduce them to the legal requirements and dynamics of the labour market, while those small businesses buying into the scheme will also benefit from assistance with administrative services and be eligible for low-cost lending support and exemption from licensing requirements.

Meanwhile, the ministry is to offer technical support services to entrepreneurs working with Dubai SME through the programme, including running awareness and capacity-building courses, hands-on presentations and workshops.

Moves like these are in line with broader targets for the sector as the UAE looks to boost agricultural production, with one of the goals of the national Industry 4.0 strategy being to ensure water and food security through the deployment of bioengineering sciences and advanced renewable energy technologies.

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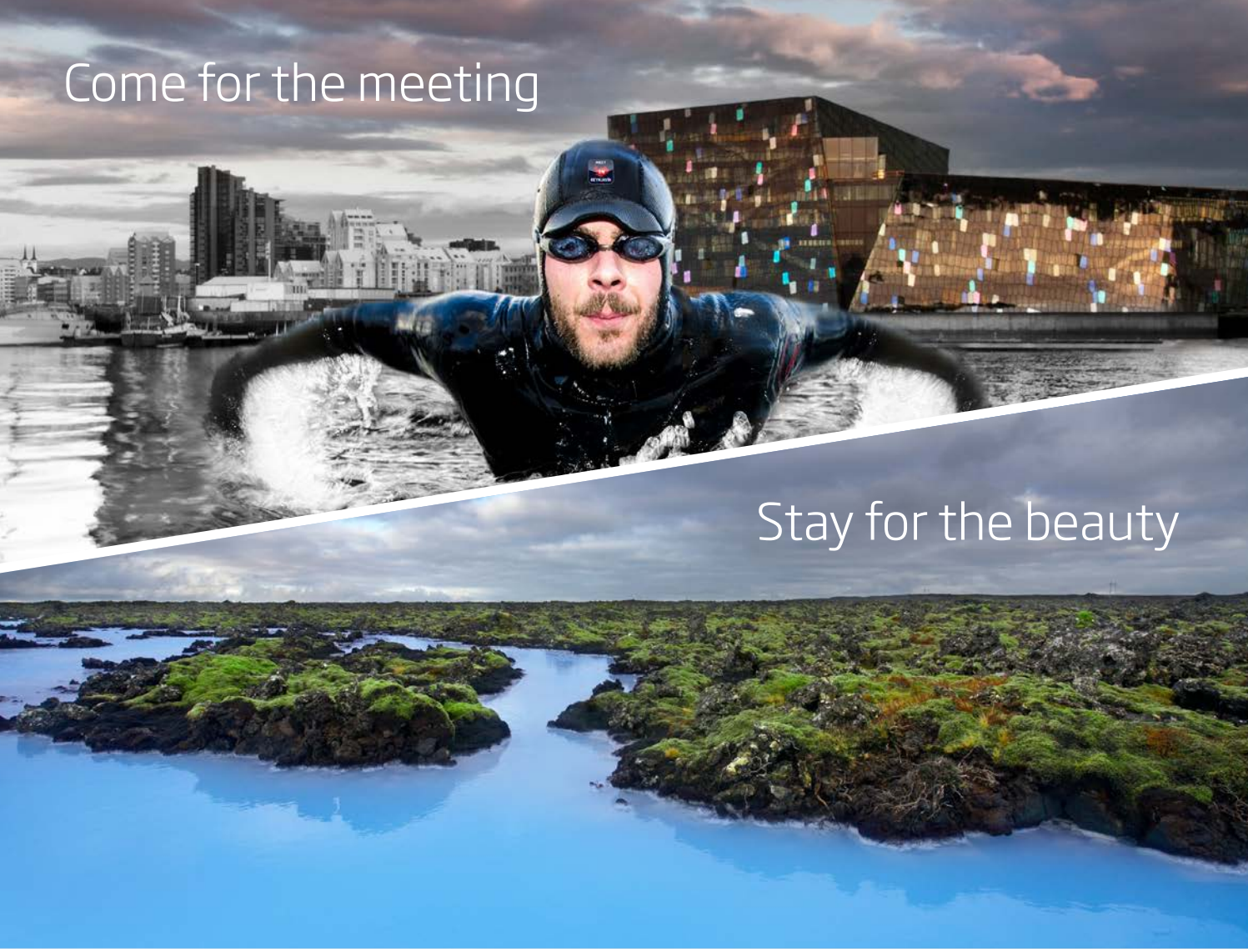

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# Bike Paths
## MADE FROM PLASTIC WASTE

**DUTCH CYCLISTS** can ride on the world's first bike path made entirely of discarded plastic. An initiative aimed at reducing the millions of tonnes wasted every year.

The 30-metre cycling path in the 1,300 years old northern town of Zwolle contains the equivalent of 500,000 plastic bottle caps and is estimated to be two to three times more durable than traditional roads.

Eight million tonnes of plastic, bottles, packaging and other waste, are dumped in the ocean every year, killing marine life and entering the human food chain, the United Nations Environment Programme has said.

# Stop Competing, and Start Creating: HOW TO FIND YOUR BLUE OCEAN

TEXT
Sara Weber

**ARE YOU WORKING** in a company that is competing head-on with another corporation? Do you need to find a way to make your startup more successful? Or do you want to turn around your own career and don't know how? Renée Mauborgne, Professor of Strategy at INSEAD and co-author of the business bestsellers *Blue Ocean Strategy* and *Blue Ocean Shift*, has some advice for you: Stop competing, and start creating.

I talked to Renée Mauborgne during the Curious 2018 conference, where she was a keynote speaker, to find out more about that idea, what Red Oceans and Blue Oceans are and how you can move from one to the other.

**In your book *Blue Ocean Strategy*, you lay out a theory that in the business world, there are different kind of markets: Red Oceans and Blue Oceans. What do these stand for?**

"If you think about the market universe, there are existing industries and there are new markets yet to be created. Existing industries, we call the Red Ocean, because supply tends to exceed demand and most industries are intensely competitive. Margin pressure, growth compression, everyone's fighting, lots of sharks, it's bloody. New markets, we call Blue Oceans, because they are untainted, untouched, unexplored, with lots of opportunity for growth."

"Our first book, *Blue Ocean Strategy*, laid out – based on at that time nearly 15 years of research – what distinguishes the strategy patterns of companies that think in terms of and situate themselves in the Red Ocean, and those that are creating the markets and businesses of tomorrow or the Blue Oceans."

**Last fall, you published your second book on the topic, *Blue Ocean Shift*. How is it different than the first one?**

"After the first book came out, the words Red and Blue Ocean started to become part of the business vernacular. And people started looking at their world and saying, I'm stuck in a Red Ocean, or Apple created a Blue Ocean, or Cirque de Soleil created a Blue Ocean. But their challenge was that they were not interested in understanding those companies, they want to know, how can I shift from competing to creating and move away from these Red Oceans in my own organisation? What does it take?"

"They were saying, in your first book, you talk about Steve Jobs, Warren Buffet and Berkshire Hathaway and NetJets, Cirque de Soleil and Guy Laliberté. But we're an ordinary organisation. We're not run by Mark Zuckerberg or Steve Jobs. We have bureaucracy, we have ways of working, people are wedded to status quo. Can we shift? And if yes, how can we?"

"In the last ten years now, we've been answering the question and the result is *Blue Ocean Shift*: How do you shift, what does it take, and how do you bring your people along in the process? Thus, if *Blue Ocean Strategy* is that 'what', *Blue Ocean Shift* is the 'how'."

**Let's look at Apple, for example: When they started, they were in a Blue Ocean. But now, the ocean is bloody red. If companies have an idea, innovate and start doing something new, other companies will try to move into that field. And at some point, the ocean will turn red. What do you do then? Do you just find the next Blue Ocean?**

"There are two factors here. First with Apple, I wouldn't say that they are bloody red yet, but I would say, it's a great company in terms of having successfully managed their portfolio. They introduced the iMac, which is kind of a Blue Ocean of a colourful friendly sweet computer. It starts in a Blue Ocean and gets imitated. Then the next thing was, I think, the iPod. They do that in the MP3 market, made it easy to download songs. When that starts to be imitated, they have iTunes. Then that gets imitated, then they have the iPhone. And then they have the App Store. So, you're right. Eventually Blue Oceans get imitated, they turn red."

"As an organisation, you have to be willing to start reaching for the blue. That's a fact of life today and if you don't accept that fact, you're living in the past. You have to get on that page."

"But the other thing is, there's a misperception. People think, I create a Blue Ocean and I will be imitated immediately. But when you look at

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our research, companies often are a Blue Ocean for 10, 15, 20 years, because people try to imitate at the margin. But to create a Blue Ocean, you have to align your value proposition to buyers, your profit proposition to the company to make money, and to people to execute it. And it's relatively easy often to imitate one of the propositions, but to align all three ..."

been going up. Governments are being called upon to keep redoing the industry standard classification systems to embrace all these new industries that are growing. We saw that happening in the 80s."

"But what is making the imperative today to make these Blue Ocean shifts so high is because supply exceeds demand in more and more

**"The need to create Blue Ocean shifts** has gone up"

"If you look at a lot of companies, many of them, even when they've been somewhat imitated and imitated, many kids would still only want an iPhone. Because it created that Blue Ocean. It's the iconic one. And emotionally, we tend to stand for those brands because they made us their fan by doing that. We have a real strong bond to them."

**So, even if imitation happens, we want to stick with the original?**

"I think that, one, imitation doesn't happen as fast as you might think because of these barriers that we may have. But the second thing is, even though it might take 10 or 15 years depending on the industry, the reality is that you do have to start reaching for the blue and that is just life. You can't avoid that."

**You have started your research in the 1980s. I was wondering if since then, has it gotten harder to find those Blue Oceans?**

"We would have to research that question, so I can't give you an answer to it analytically. But when you look back over 100 years of history, what you see is the rate of industry creation and new market creation has industries. Coming out of World War II, everything you produced, you could sell. And starting in the 1980s, with the Japanese challenge, it was the first time competition started really heating up. And people now have to start dividing, there isn't that much to go around. But that level of competition today, with China coming on the scene, with India coming on the scene, with the Internet reducing barriers to being an international player dramatically – that explosion in terms of competition is going up. The need to create Blue Ocean shifts has gone up."

"Now, do we think there are less opportunities? I don't think so, because if I look at all the problems the world faces, all the problems industries have, and all the new things people want, those are all opportunities for someone to solve, to create."

**Red Oceans are about competing, Blue Oceans are about creating. In your research, you found out that most people actually want to create. But in a lot of companies, the mindset is still one of competition. If you're one small individual who wants to actually create in a competitive company – is there something you can do? Or are you stuck?**

"It doesn't mean that you're necessarily stuck. I think there is a psychology now, much more of an acceptance, and a need, and a recognition, that we need to start to shift. If I'm an individual in a company, and I want to create and my company doesn't want to, I need to find out the scope where I can. Maybe you can't transform the whole company. It's naive to think that way. But maybe I'm in charge of marketing. So, I have to ask myself: How can I change marketing?"

"So, you want to get promoted. Well, the real question is, do you deserve to be promoted? What is your strategy canvas? Are you a Red Ocean? You do everything your colleagues do at the same level? Well, if yes, you can work really hard but you're not likely to stand out. So, now I need to start thinking for myself: Can I reconstruct across two different career paths? Maybe I want to be in science but I also want to understand business development, and I want to be able to bring that and show my team. I can bring this new skill and I'm going to learn that at night."

"And if you're the only one in a company and your company is so asleep, you can start conversations at a company level: Let's have a conversation on this. Maybe share some books, do a Friday where you talk about new ideas. People often love hearing about new ideas and thinking, even if it doesn't go somewhere. Of course, the last step is maybe changing where you go, work someplace else."

*Sara Weber, Senior News Editor at LinkedIn Germany, Writer, Podcast Expert. Published with permission.*

# “Humans Will Change More in the Next 20 Years than They Have in the Last 300”

**Making connections and advancing our thinking** is one of the keys to progress. Futurist Gerd Leonhard is connecting the dots to our data-driven future – championing the benefits and highlighting the risks. His vision of our future is that of great potential to make the world a better place for all. But he’s quick to point out the potholes on the road to a circular economy as well highlighting the technologies that will impact our lives the most, and outlining the human-scaled answers needed to ensure the 21st century landscape is a place we all want to live.

PHOTO © iStock.com/robypangy

# Sustainability AND ENVIRONMENTALLY FRIENDLY BUSINESS PRACTICES IN AFRICA

TEXT
Jaime Perez-Seoane de Zunzunegui

**HOW DOES** the idea of sustainable and environmentally friendly commitments evolve in Africa? What is the degree of maturity of Africans companies regarding the deployment of operational practices respectful of the ecosystem?

It is from this angle related to ecological transition that the British economic research firm Oxford Business Group, in partnership with Thinkers & Doers, has decided to explore the General Assembly of Citizen Entrepreneurs and Organizations. The methodology was to directly address African business leaders by adding a specific question within the business barometer that OBG conducts on a regular basis on the continent: the CEO Survey. For two months, in eight different countries, our teams asked leaders they met face-to-face to give their perception of the level of environmental commitment of companies in their respective markets.

In Algeria, Côte d'Ivoire, Djibouti, Egypt, Ghana, Kenya, Morocco and Nigeria, these general managers delivered their feeling on this major point of remodeling the business model in a more virtuous scheme in terms of societal commitments, sustainable development being one of the key axes identified in this transition, along with governance, financing methods, new philanthropy or education.

Modeling the qualitative question: To what extent are companies (in the country where you are based) committed to adopting sustainable and environmentally friendly practices?

Among the 150 responses gathered, a first observation emerges very clearly: the majority of companies on the African continent do not yet

PHOTO © iStock.com/PeopleImages

**“Among the 150 responses gathered,** a first observation emerges very clearly”

consider the establishment of environmentally friendly practices as a priority.

49.1 per cent of respondents consider that companies are not very engaged in adopting environmentally friendly practices.

How engaged are companies in the uptake of sustainable and environmental-friendly practices?

64.9 per cent of respondents believe that companies in their respective markets are “not very committed” or “not committed” in adopting sustainable and environmentally friendly practices. This reflects both a scale of priorities of companies on the continent still not geared towards ecological transition, but also a still low sensitivity of consumers on these themes, a conclusion widely shared by the leaders interviewed. So, there is still work to be done to create synergies and good practices in order to push African companies to integrate green commitments into their business model.

It must be recognised, however, that these figures are also encouraging. 31.13 per cent of the managers surveyed consider that companies present in their market are “fully committed”, “strongly committed” or “committed” to the implementation of environmentally friendly practices; with, in these results, an overwhelming majority of “committed” companies (25.17 per cent). In economic environments that are still maturing, where the natural priorities of managers are often more related to profitability, market stability, sources of financing or the quest for tailored labour, these results, witnesses of the evolution of the ecological commitment of African corporations, remain promising.

## Large Groups: Show the Example

By looking in more detail at these results, other interesting points can also be identified. Among the leaders of companies that have answered “completely committed” to the question of OBG’s Business Barometer, a large majority of them are at the head of large multinationals, such as Philips, Vinci Constructions, Total or Bank of Africa. Their resolutely optimistic vision of the ecological commitment of companies in their respective sectors is undoubtedly influenced by the good practices applied by their own organisation in this area. However, this shows that large groups, by their way of steering their activities in Africa, can have a real synergistic role in bringing smaller local and international companies to reproduce their approach. By drawing in their wake their respective ecosystem, sometimes by imposing rigorous specifications in terms of environmental obligations, these large groups can generate a multiplier effect aimed at inking the mechanisms of citizen engagement throughout the economic sphere of the country where they operate.

## The Financial Sector: A Key Vector

Another interesting reading grid can be identified through the sectorial prism. Indeed, among the 31.13 per cent of leaders who responded positively to the question asked, by selecting the answers “fully committed”, “strongly committed” or “committed”, there is a significant presence of companies operating in the financial service sector (banks, insurance, microfinance institutions, capital markets, etc.). 35 per cent of companies that responded positively to the environmental commitment of companies in their respective markets operate in the financial sector. This is an encouraging element,

**“It must be recognised, however,** that these figures are also encouraging”

which demonstrates that African financial actors are increasingly sensitive to the environmental commitments of the companies they work with. Like the big groups, the financial sector has a role of leader and accelerator of the “scaling-up” phase currently underway. Financial service providers can make companies that are most reluctant to societal commitments reconsider their model by imposing new requirements in this area. Banks, insurance companies and capital markets players are major vectors for wider and faster diffusion of corporate citizen solutions.

**A state-of-the-art public sector?** One last interesting point emerges from the results of this African barometer: optimism, real or fake, of public-sector companies. Although only 8.61 per cent of leaders having answered the survey at the head of a public group, an overwhelming majority answered very positively to the question on the environmental commitment of the companies operating in their country.

Only 8.61 per cent of respondents manage public companies.

**Ownership** In fact, 64 per cent of these executives of public companies consider that the economic sphere of their country is committed, strongly committed or completely committed to the adoption of sustainable practices and favorable to environment. The duty of reserve of the men and women managing these large state groups may partly explain the strong optimism of this result, even though the answers were collected anonymously. Another explanation is probably, the high environmental requirement of these companies when they issue tenders. However, this is data that remains promising because the state entities, under the impetus of the states themselves, must be leaders in terms of collective commitments. Part of their DNA is to have a positive social impact on the populations. This ambition deserves to be shared and passed on to local suppliers and service providers linked to these state groups, with a view to generalising the incorporation of societal commitments within the business model of the entire economic sphere.

It can therefore be concluded that the generalisation of sustainable and environmentally friendly practices is showing encouraging signs on the African continent, but above all this can be effectively promoted by certain actors in order to accelerate the changes that have taken place and extend their impact to the whole economic sphere. These impulse drivers are large groups, financial sector companies and public entities, which together can consolidate and extend societal commitments to the majority of players in their respective markets.

*Jaime Perez-Seoane de Zunzunegui, Regional Editor for Oxford Business Group North Africa and The Americas. Published with permission.*

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Anja Stas, Chief Commercial Officer of the FMCCA PHOTO Atti Soenarso

# Fresh Insights
## AT ASIAN MICE FORUM 2018

**EARLIER THIS** year, the 13th Asian MICE Forum (AMF) was held in Taichung, the second largest city in Taiwan. The event took place in the Assembly Hall of the Taichung City Government building. A total of 420 business events visitors from 23 countries attended the conference.

According to an International Conference Association (ICCA) statistical report, Taiwan held 141 international conferences in 2017. Among them, Taichung's number doubled from eight exhibitions in 2016 to 16 in 2017, showing that the city has the energy to develop into a business events city. The city has a solid industrial base and is a major industrial cluster. With its convenient transportation and well-developed tourism resources, Taichung is regarded as one of the most livable cities in Taiwan.

The Shuinan International Convention Exhibition Center, which is currently in the planning stage, will accommodate 5,000 exhibitor booths and conference venues for 10,000 people. Once the facility is completed and fully operational, it will help Taichung become an important central Taiwan city for business events.

The 13th AMF was kicked off by Dr. Johanna Blakley from the University of Southern California in the U.S.A. She pointed out that there is no patent protection in the fashion industry except for trademarks. Although this means that the design of any garment can be easily copied and may be legally sold after attaching a different trademark, this has actually accelerated fashion trend growth. Original creators are forced to continually introduce new ideas due to plagiarism of their work, which endlessly fuels innovative ideas for the fashion industry. For consumers who pursue the latest fashion trends, the charm of the original work makes them willing to pay high prices, enabling brands to grow profitably.

The AMF's Asian Business Events Outlook panel discussion gathered business events leaders from Thailand, Singapore, Indonesia, and India to provide the latest Asian meetings development trends. Ravinder Sethi, Vice President of the Indian Exhibition Industry Association, mentioned that now is the era of putting the focus on connecting with the future.

The marketing model and channel of business events have entered a new milestone with the advancement of technology. If combined with technological applications, more customer engagement experiences will result.

Janet Tan-Collis, President of the Singapore Association of Convention and Exhibition Organisers and Suppliers, stated that countries must pay attention to the training of talent and inject innovative ideas into business events activities. She echoed the sentiment of Dr. Johanna Blakley's keynote speech that copying does not mean that the industry will fall into decay. On the contrary, copying can stimulate creativity and inspiration, which is what the business events industry needs.

Anja Stas, Chief Commercial Officer of the FMCCA in Antwerp, Belgium, and winner of the ICCA Best Marketing Award in 2017, came to Taiwan to share the innovative CSR marketing method that brought together exhibitions and wildlife conservation, successfully creating a new business events version.

# South Korea and Sweden
# TOP INNOVATIVE COUNTRIES

ACCORDING TO World Economic Forum South Korea and Sweden are the most innovative countries in the world, looking at a league table covering everything from the concentration of tech companies to the number of science and engineering graduates.

The index on innovative countries highlights South Korea's position as the economy whose companies filed the most patents in 2017.

Bloomberg, which compiles the index based on data from sources including the World Bank, IMF and OECD, credits South Korea's top ranking to Samsung.

The electronics giant is South Korea's most valuable company and has received more US patents than any company other than IBM since the start of the millennium. This innovation trickles down the supply chain and throughout South Korea's economy.

**These are the world's most innovative countries**

*Based on Bloomberg's Innovation Index 2017*

| | | |
|---|---|---|
| **1.** | South Korea | 89.28 |
| **2.** | Sweden | 84.70 |
| **3.** | Singapore | 83.05 |
| **4.** | Germany | 82.53 |
| **5.** | Switzerland | 82.34 |
| **6.** | Japan | 81.91 |
| **7.** | Finland | 81.46 |
| **8.** | Denmark | 81.28 |
| **9.** | France | 80.75 |
| **10.** | Israel | 80.64 |

Sweden in second place is fast gaining a reputation as Europe's tech start-up capital. The Scandinavian country is home to Europe's largest tech companies and its capital is second only to Silicon Valley when it comes to the number of "unicorns" – billion-dollar tech companies – that it produces per capita.

The US dropped out of the top 10 in the 2018 Bloomberg Innovation Index, for the first time in the six years the gauge has been compiled.

Bloomberg attributed its fall to 11th place from ninth last year largely to an eight-spot slump in the rating of its tertiary education, which includes an assessment of the share of new science and engineering graduates in the labour force. The US is now ranked 43 out of 50 nations for "tertiary efficiency." Singapore and Iran take the top two spots.

The US' ranking marks another setback for its higher education sector's global standing in recent months: in September it was revealed neither of the world's top two universities were considered to be American. Those honours went to the UK's Oxford and Cambridge universities respectively.

In addition to the US' education slump in the innovation index, Bloomberg claims the country also lost ground when it came to value-added manufacturing. The country is now ranked in 23rd place, while Ireland and South Korea take the top two spots.

Despite these setbacks, the Bloomberg Innovation Index still ranks the US as number 1 when it comes to its density of tech companies. The US is also second only to South Korea for patent activity.

These rankings may explain the disparity between Bloomberg's list of innovative countries and the World Economic Forum's own list of the 10 most innovative economies.

**"The index on innovative countries** highlights South Korea's position as the economy whose companies filed the most patents in 2017"

**The Top 10 Most Innovative Economies**

*Global Competiveness Report 2017–2018. Ranks out of 137 countries*

1. Switzerland
2. United States
3. Israel
4. Finland
5. Germany
6. Netherlands
7. Sweden
8. Japan
9. Singapore
10. Denmark

Under this ranking, compiled as part of *The Global Competitiveness Report 2017–2018*, the US is listed as the second most innovative country in the world after Switzerland.

The US' inclusion in this league table, and South Korea's exclusion, are the two most notable differences between the different rankings. Other than these nations, the majority of countries included in the top 10s are the same in both lists.

One nation to feature prominently in both innovation rankings is Israel. Taking third spot in the Global Competitiveness Report's innovation league table, Israel is ranked 10th best country in the world for innovation overall by Bloomberg. However, its index also ranks Israel as number 1 for two categories of innovation: R&D intensity and concentration of researchers.

Israel's talent for research and development is illustrated by some of the major tech innovations to come out of the country. These include the USB flash drive, the first Intel PC processor and Google's Suggest function, to name just three.

Despite being smaller than the US state of New Jersey with fewer people, Israel punches well above its weight on the global tech stage.

It has about 4,000 startups, and raises venture capital per capita at two-and-a-half times the rate of the US and 30 times that of Europe.

When it comes to being a world leader at innovation, it may simply be the case that you get out what you put in: according to OECD figures, Israel spends more money on research and development as a proportion of its economy than any other country – 4.3 per cent of GDP against second-placed Korea's 4.2 per cent.

Switzerland is in third place spending 3.4 per cent of its GDP on R&D, while Sweden spends 3.3 per cent. The US spends just 2.8 per cent.

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# Meet Saad
## DUBAI'S NEW ARTIFICIAL INTELLIGENCE SERVICE

**KICKSTARTING** a Dubai-based business has never been simpler, with the new Saad service answering entrepreneurs' registration and licensing queries instantaneously.

Dubai has proven itself again as the ideal business hub for large international groups and start-ups alike, with the release of the new Saad artificial intelligence service. The brain-child of Smart Dubai and the Dubai Department of Economic Development (DED), and built with IBM's Watson software, the service allows individuals and businesses to ask questions or clarification about Dubai's business licensing and registration procedures and processes, giving real-time responses to questions within moments.

The service was initiated due to high demand for Dubai-issued commercial licenses across retail, food and beverage, hotels and more, as Dubai continues to expand its corporate footprint and add to its hugely successful free zones concept. The new service builds on Dubai's appeal as a central financial centre, with businesses able to set up offices or partnerships with the Dubai government's full support and detailed expansion solutions.

Demonstrating the abilities of the service at a tailored workshop for government agencies, Dr Aisha Bin Bishr, Director-General of Smart Dubai, says that the technology is an innovative tool suited to Dubai's industry expansions, adding value to public-private partnerships and increasing satisfaction for businesses.

"We believe that by harnessing the latest in technology we can offer innovative services to enhance citizen experiences in Dubai. The impact of Saad, which we delivered in partnership with IBM, is an example of a successful collaboration and we look forward to working side by side as we continue to transform Dubai into a Smart City," she says.

Expanding on the city's plans for an artificial intelligence roadmap, Dr Bin Bishr praised the forward-thinking ideas that have made Dubai into a destination of choice for many industries.

"Working with a network of partners from the public and private sector, Smart Dubai is continually exploring innovative technological solutions to improve quality of life in Dubai and make Dubai a more efficient, seamless, safe and impactful city experience," she explains.

"Our efforts are driven by our desire to implement the vision of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, to make Dubai the smartest and happiest city on earth."

# Nordic Choice
# CHOOSES INNOVATION

**NORDIC CHOICE** Hotels, one of the largest hotel groups in Scandinavia, has pioneered innovation in multiple fields as a way to optimise service delivery across their diverse portfolio of hotel brands. With investigations into everything from space travel to food nanotechnology, it's no wonder why Nordic Choice Hotels is one of Norway's top 10 most innovative companies. In 2017, Nordic Choice Hotel adopted Alice's hotel operations platform to help elevate their guest satisfaction and operational excellence.

Alice's Co-founder and President Alex Shashou sat down with Nordic Choice's Head of Business, Christian Lundén, to discuss innovation at their properties and how the influence of other industries spurs the company's own innovation.

**How would you characterise the Nordic Choice properties?**

"Nordic Choice is the Scandinavian franchise of Choice Hotels International. We are one of the biggest chains in the Nordics and Baltic regions, with around 200 hotels. Our top brands within the franchise include Comfort Hotels and Quality Hotels, along with some stand-alone, unique hotels."

**How does Nordic Choice distinguish itself from Choice Hotels International?**

"Nordic Choice has a broad spectrum of different brands, and we believe in owning a diverse portfolio of options for our guests to choose from. For example, Quality Hotels is like a big, conference hotel chain, while our Comfort Hotels is a cool, urban hotel chain – much like what you would find in the US. On the other hand, we have really upscale hotels, like The Thief, which is one of the most luxurious hotels in Norway."

**Why did you bring Nordic Choice into Choice Hotels International?**

"When I joined the company 15 years ago, Nordic Choice only had 30 hotels within the chain. Thus of course, one of the main reasons was probably the scaling possibilities and the benefits of having a big brand behind us – distribution and marketing are very valuable when you are a small player in this arena. However, although we are a part of the group, we are able to keep separate brand identities, like having different loyalty programmes, for each of our hotel franchises."

**You don't have the same loyalty programme? Do you have a loyalty programme? And what makes your loyalty programme stand out?**

"Our loyalty programme is called Nordic Choice Club and has around 1.6 million members. It is a standard loyalty programme where guests can earn points and get free nights and upgrades. We also have special partnerships with different kinds of companies."

**Awesome! And what about you? What is your current role in the company?**

"I joined Nordic Choice more than 15 years ago, focusing more on the operations side of things as a Product Manager. I then transferred to the tech side of things as the Head of Future Business in Technology, focusing on strategic initiatives and was responsible for introducing new technologies and solutions for the areas of both guests and employees. Around two years ago, I became the Director of Future Business, to make sure we continue to be at the forefront of new business models, technologies, collaborations, and partnerships.

Petter Stordalen, Owner, Nordic Choice Hotels

For example, we noticed that we needed to become better at digital, so we started a company called eBerry which takes care of all of the digital aspects in our company from websites, apps platforms, loyalty programmes, and customer service."

**Can you elaborate more on your innovation team?**

"People see us as being a very innovative company when it comes to their travel. We monitor and develop what kind of areas we should develop in the future, so that we are not only making money on hotel rooms but also creating extraordinary experiences. For example, I've met with NASA about space tourism, to find out how our popular world of hospitality can be a really big player in space. It's about trying to see how our innovation team can learn from different industries to bring back ideas to make our own industry more attractive."

**Is there anything you think that hotels can take from other industries rather than from their competition?**

"I'm not interested in what our competitors are doing – because if they are doing it then we are already too late. I'm more interested in how companies like Netflix, Apple, Tesla, and others outside our industry are crafting totally new experiences or expectations for guests. It's interesting to study consumer behaviour, because that informs guests' expectations when they come to our hotels. So, hoteliers need to understand the behavior and the excitements guests as consumers have in different areas."

**I agree with you that if you look at other industries you find out more about your own. In the past you have mentioned looking at nanotechnology. What were you referring to?**

"We work with nanotechnology in several different areas – one of them is food. We are always trying to develop ways to make food better: chocolate that doesn't melt, meat with less fat, milkshakes that taste really sweet but have no sugar in them. We work directly with scientists to see life-improving achievements with this kind of technology."

**Let me ask you the obvious question: Why don't you let the food companies work on food? You're a hotel company?**

"Nordic Choice is Scandinavia's biggest F&B provider because of all of the restaurants we have in our hotels! It's very much at our core. We work together with the food and technology companies to understand them better and try to get their knowledge and understand what's happening, thus we can be much better prepared in the future for the next restaurant we need to focus on."

**Let's move on to blockchain – why blockchain?**

"There are many reasons why we are exploring and starting to experiment with blockchain. The most obvious is the cost of distribution, because we do pay a lot of money to the Online Travel Agencies. We like to have a strategic relationship with the OTAs, but want to capture repeat bookings ourselves – guests don't realise that although repeat booking through OTAs is convenient for them, it actually costs us a lot of money, and we like to have better contact with our guests.

"The second reason is that blockchain is a decentralised, open source API, meaning no one owns it and anyone can benefit, even the short term Online Travel Agencies. No one can take money from the middleman and we can have one interface for them to work with us. If we put our rooms onto a blockchain, anyone can access it and sell our rooms. So many good travel companies and startups are begging for an easier way to access our inventory, and blockchain gives it to them."

**Let's assume the Online Travel Agencies aren't going anywhere – what would you like the future Agencies to do? What would you like the relationship to be? Can you see any industries where the middleman is a true partner of the services that are provided?**

"If we have a strategic relationship with the OTAs and we can see where they are good, and we are good then that is the perfect match. As long as they don't take too much advantage of their position then it's fine."

**When you say "good", do you just mean dropping commissions?**

"We are happy to pay commissions, it's valuable to get reservations from the OTAs. If we could, we would even be selling rooms from Instagram or third party startups, and for this we want to pay them. If someone is making business for us, we want to honour that. This is why we are excited about the potential of blockchain. It would allow us to free our distribution onto any channels, small and big."

"But we need to keep it reasonable, meaning we should get information and know who the guest is so we can

**"I'm not interested in what our** competitors are doing"

**"We are not only making money** on hotel rooms but also creating extraordinary experiences"

give them the perfect experience and the benefits they would have as if they were a returning guest."

**Is it fair to say blockchain might allow an even playing field?**

"I would more or less agree. The bigger players will always have more advantage, but yes, I think it will equal it out."

**Customer behavior is such a big, heavy word – everyone has a different interpretation. A recent Sabre report highlighted the difference between guest centricity and guest experience. Today, some of the best brands don't worry just about selling things, they focus on the end-to-end experience and the emotion their customers feel at each stage. You touched on this before, but how do you look at customer behaviour, where do you start, and where do you think it's going, and how do you look at Nordic Choice?**

"I can give you an example ... When we started with mobile check-in 5–6 years ago, the staff really hesitated to adapt because they were scared about losing their jobs. It was important for us to explain to our staff and the hotels why this is happening and the benefits of using it."

**Can you elaborate on what you mean?**

"Staff realised there could be long lines to check-in and that they often had to field repetitive questions ... At the same time, staff recognised guests might not want to wait in line and receive all the information typically offered at check-in. If we can give guests the ability control all of this, through apps and technology, we can give them their preferred way to check in. Just like how guests choose when and how to consume online, adopting technology into the check-in process gives guests the ability to choose and thereby lets us deliver a better emotional experience to our guests."

"Take me, I am two different people when traveling. Sometimes I like to be the guest that sneaks up to the room on the business trip because I don't like to talk to anyone. But sometimes I like to interact with staff and get help. Technology allows hotels to accommodate to both of these types of travelers."

**Can you give me an example of where you have explored this?**

"An example of this would be a bar app we looked into. Such an app would give the opportunity for a guest to sit where there are and order their drink and just pick it up from the bar instead of ordering it directly from the bartender. However, the bartenders were very against this. They love making their elaborate drinks and this is how they build a relationship with their customers and make their tips."

"What we realised by looking at the experience of both the guest and the staff here was that there can be a hybrid model where everyone wins. By building only the simple drinks into the app, a few beers and red and white wine, then the person who orders through the app can order the most common drinks quickly while the guest who wants more elaborate drinks that a great bartender is proud of can go to the bartender. Both types of travelers have mutual benefits and the bartenders get to focus more of their time on their expertise."

**Moving on, as the hotel world evolves through technology, where do you think you will make money from in the future?**

"In the next five or more years, we will no longer get most of our income from selling hotel rooms, but instead from other services, such as cleaning, catering, and laundry that are more important or as important as the hotel rooms. The rise of the homeshare industry has given us the opportunity to leverage the level of hospitality we provide in our hotels to homeshare operations."

"In November, we bought the biggest service department in Sweden, so we have 3,000 apartments now

**"That provides us with quite a lot** of freedom and the ability to fail and the expectation to fail"

around Scandinavia for extended-stay or for company stays. We are moving quite fast and are now the biggest apartment owners in Scandinavia."

**Interesting, are you offering your hotel services to these apartments?**

"Not yet. But we tested how this might work with a pilot we ran in Copenhagen last year, in which we met with Airbnb apartment owners close by to one of our luxury hotels and offered owners our services to make sure these apartments all met the same high standards as our hotels. The idea was to remove the fear that some business people have while renting an Airbnb, by giving the apartments the Nordic Choice stamp of approval and the 24-hour service and reassurance that provides. We provided the apartments with our hotel towels, linens, toiletries, and everything you can find in a hotel. We also got some apartments discount coupons so you can go down to our hotel and get a discount on different hotel amenities or services."

"Our vision is to eventually make all of the apartments we own part of the "world's best digital guest journey," and provide owners with a hotel experience in their own home."

"Longer term, I see of course also F&B, co-working, retail playing a big role for us as well. It is important that we understand that our business will look very different in the future from what it is today."

**On a different note entirely, I'd like to speak quickly about your staff culture. You bring up your staff a lot – what is the culture like for employees at Nordic choice?**

"Our culture starts with our owner, Petter Stordalen. He lives and breathes being in the hospitality business. He's a rockstar in his own right and he always says he likes to look back and see that he regrets something, because if he doesn't have regrets, it means he was being too cowardly and that's not good enough. That provides us with quite a lot of freedom and the ability to fail and the expectation to fail. And that creates a very good culture in the company because everyone is supported to test and continuously learn."

**And how did that trickle from the top down?**

"I think a great example of this would be the CEO of our partner company, eBerry, Lisa Farrar. She tells everyone to just do it, test it – don't ask for permission – see if it works, and then we can talk about it later."

**With the inclusion of Lisa Farrar, how much diversity is in your boardroom?**

"In our company, we have 69 per cent female leaders in the high leadership management team, and that is huge."

**What's next for Nordic Choice?**

"At the moment, we are doing very small projects. We are working quite a lot with startups to extend ourselves from AI, to VR, to AR, to wireless charging. Many of the things we are working on might not add to the company for 1–2 years. We are testing further innovation to see how we can continue to improve our operations throughout the organisation."

# Borneo CCK
## JOINS ELITE GROUP OF CENTRES

**THE BORNEO** Convention Centre Kuching (BCCK) has announced that it is now a member of an elite group of 23 AIPC convention centres from a total of 190 venues in the world to be awarded the AIPC Gold Quality Standards Certification. BCCK will be the second convention centre in Asia to be recognised by AIPC's Quality Standards Programme, which is a phenomenal feat for a venue from the second tiered city of Kuching, Sarawak.

BCCK Chief Executive Officer, Eric van Piggelen says the AIPC Quality standards clearly benchmarks against global excellence. "Since we started 2009, the centre has hosted over 1,500 events and welcomed over 1.9 million guests, through its doors. We constantly strive to give both our organisers and delegates the best experience when holding events. We are thus extremely delighted to receive the honour as the second convention centre within Asia to have achieved this milestone. This result is a testament to the commitment and hard work of our team here in BCCK, culminating in BCCK being accorded this award and setting global standards for the business events industry in Kuching Sarawak."

He further adds, "This comes hot on the heels of BCCK having recently been accorded with their ISO 14001 certification, which is further testament to our commitment in global quality standards."

"The AIPC Quality Standards programme was developed as an industry-specific certification for confirming and documenting a centre's accomplishments in key areas of convention centre performance and is the only such specifically purposed form of certification in the industry," says AIPC President Aloysius Arlando. "The Borneo Convention Centre Kuching is to be congratulated on having achieved the gold level in their audit as this demonstrates to owners, colleagues and clients that they are addressing international standards of performance in their management procedures."

The audit involves assessment in ten key areas including customer service, quality of facilities and operations, employee relations, health, safety, security and emergency response, financial integrity, community relations, environmental responsibility, industry relations and supplier relations.

Christopher Wan, appointed Chairman of the committee, says: "Any journey towards excellence will require a reality check, a plan of action, and the persistence to realise this plan. Along the way, this involved the transformation of mindsets, keeping the cross functional team players consistently energised, and inspiring positive gains in thought and deed. This framework has given us the tools to dig deep, deliver sustained results, and manage our future impact on our stakeholder, the community and destination."

Over the past nine years, BCCK as a convention venue has emerged as a strong contender amongst the country's second-tier cities' convention centres. AIPC Gold coupled with its ISO 22000, ISO 9001 and ISO 14001 qualifications consolidates its position as a progressive centre in ensuring and exceeding their client satisfaction and service delivery in the business events landscape of both Sarawak and Malaysia.

# Adopting a Digital Mindset
# IS KEY WITHIN THE GERMAN CB

TEXT
Matthias Schultze

A FEW YEARS BACK, we noticed how things within our industry started to change: Unsurprisingly, the rapid progression of the digital transformation that affects all aspects of our professional and private life didn't leave the meetings and conference sector untouched. As an organisation, the GCB German Convention Bureau is not only committed to support and prepare our members and partners for the disruption brought about by the digitalisation. We also realised that to be able to do that, we also need to change how we work and think as an organisation. Embracing digitalisation with all its challenges and opportunities requires a fundamental mindset shift that affects each part of an organisation. At the GCB, we have therefore identified six areas that need to be considered for a successful digital transformation process:

**1. Strategy** As the digital transformation involves every business unit, everything has to start with a digital transformation strategy. More than ever before, a holistic approach is needed to ensure that the entire organisation and every employee is on board. Our vision of "Meetings made in Germany connect the world – digital and face-to-face" expresses what we want to achieve and based on our overall corporate goals, we work with a dynamic strategy that is constantly reviewed and modified. We realise that in a fast-changing environment, strategies need to be adaptable, too. Doggedly holding on to them does not reflect the realities of our digital world.

**2. Culture** Our vision can only come true and our strategy can only be implemented if our employees really believe in it. The passion and engagement of each and every one are important components. In this context, it is vital to enable people to play their part in "making it happen", i.e., you have to give them the right tools, enhance their skills where necessary and put trust in them. Encouraging a culture of trying is also part of the process. More often than not, making mistakes carries a stigma which prevents people from giving it a go in the first place. Therefore, a credo of "try new things and learn from when they don't work" is important. To create the right kind of environment and to foster the necessary innovative spirit, the GCB uses new methods of collaboration, with a focus on peer learning meetings, ongoing training, creative methods and agile working.

**3. Technology** Obviously, technology is at the core of the digital transformation. How we work with technology at the GCB has changed much in recent years and reflects overall changes in work and private live. We focus on acquiring new skills and constantly review the tech tools we employ internally but also

**"Everything has to start with** a digital transformation strategy"

externally to provide services to our members. From data management to communicating with our international branches in New York and Bejing – technology is crucial to enable our staff to work flexibly and collaboratively.

Our member services also reflect our growing tech know-how, e.g., the GCB team produces webinars and has greatly upped its video content output for different channels. For our own events, we look at how to use virtual reality, augmented reality, facial recognition and other relevant technologies.

**4. Channels** The digital transformation has had a considerable impact on how we communicate with our stakeholders. Social media and the formats that perform particularly well on this channel have come to the fore. When we think about communication, we look at four different elements: the different channels available, such as our website, newsletter and social media platforms, our key target markets Europe, USA and China, the different stakeholders and, most importantly, the content of our communication. Orchestrating these elements with the user in mind is key for successfully addressing our members and other stakeholders.

**5. Stakeholders** In our digital world, customer centricity is a crucial success factor for any business. One size fits all is a thing of the past. Customised solutions based on individual needs is a must. We have taken a very close look at our different stakeholders, be it meetings planners, our members or the press, and carried out a persona analysis to make sure that we are aware of all the different needs our audience has and can provide a range of suitable solutions and products.

**6. Data and Analytics** Progress is not possible without measuring results and for that we need to define KPIs prior to analysing our data. For instance, we closely monitor all our communication measures and look at how the individual channels perform. On a more general level, the digital maturity index is the key KPI for measuring the digital transformation level in an organisation. Measuring and optimising every process in every part of the business with the ultimate aim of reaching the state of transformation for each one is essential.

Having highlighted it at the beginning, let me reiterate the most important thing to realise when embarking on the digital transformation journey: For any of the above to work and to have the desired outcome, a fundamental shift in perspective needs to take place first. We all know how difficult it can be to implement change in any organisation. However, in the rapidly changing world we live in, we cannot afford to not to rethink our processes and way of working. Therefore, a shift in mindset is crucial in order to seize the opportunities of the digital transformation. Change is the new normal.

*Mattias Schultze is the Managing Director of German Convention Bureau (GCB).*

## Delivering Successful Events, the Borneo Way

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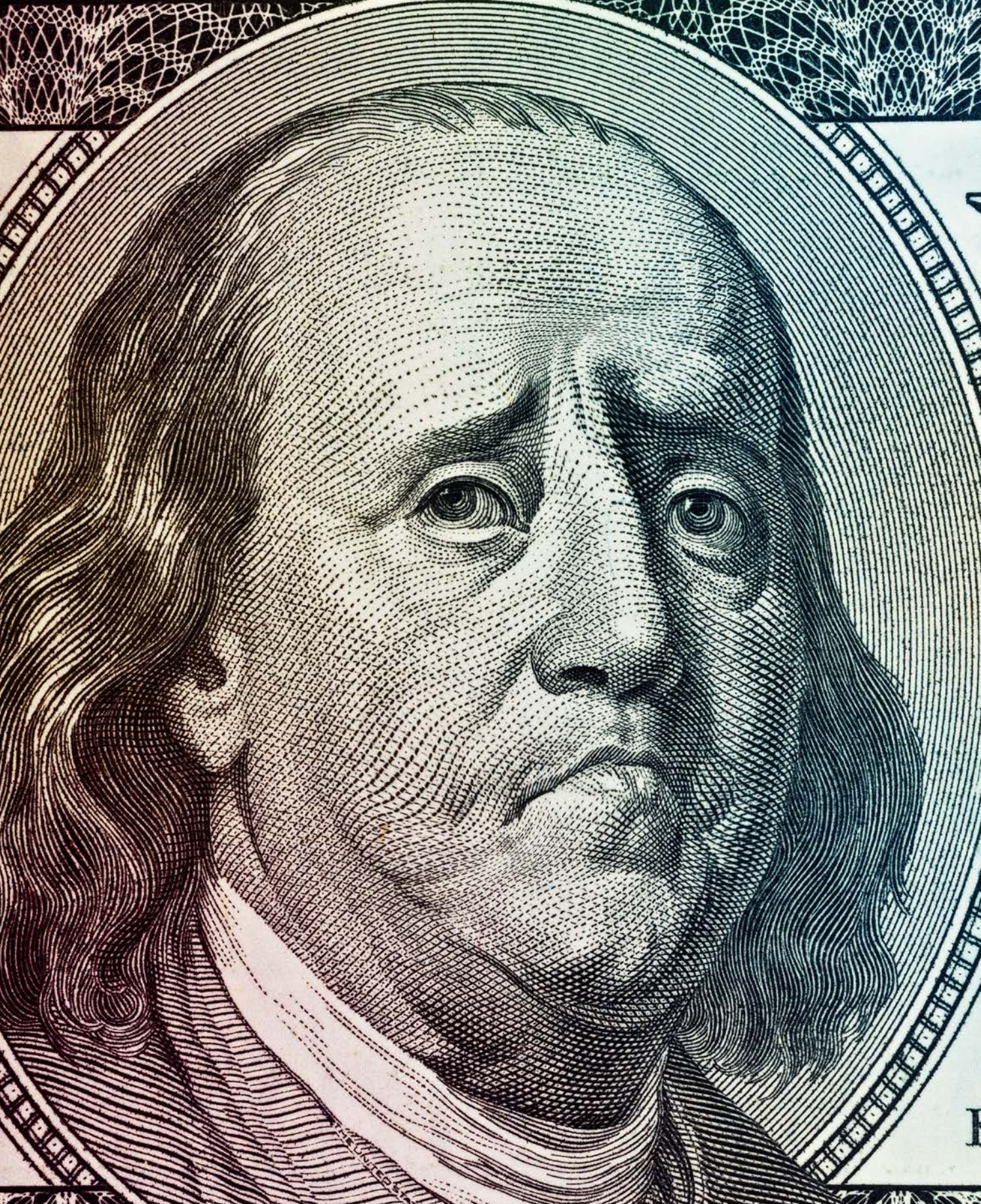

# Perhaps, WE ARE ASKING TOO MUCH FROM POLITICIANS

TEXT
Gerd Leonhard, Tim Renner

**TOMORROW IS ON** its way, and it'll be here faster than many of us may think. Sure, we don't see many robots passing us in the streets, yet, but even those tiny devices that we now lug around with us are far more intelligent than those funny-looking humanoids we used to watch on the kids sci-fi series *The Jetsons*. And just wait until machines start teaching themselves (aka "machine learning") – that's when things will really get moving. Right now, we are standing at the take off point for exponential development in technology. Remember how exponential works? First comes 4, then 8, 16, 32, and so on. That gentle "Wind of Change" we heard so much about back in the 1990s will soon become a bona-fide whirlwind very soon.

Not that we, too, don't feel the need for speed, but if everyone is only worried about moving as fast as they can, who will stop and consider where we are heading? Who is Mission Control for Humanity when we need it? Who is authorised to make these decisions in our name? Right now, it seems that (some) scientists, some venture capitalists and big technology companies are in charge, albeit without any proper supervision. Facebook, LinkedIn, Twitter and Baidu determine whom we communicate with and what about. Tinder and Parship decide whom we meet and whom we fall in love with. Apple, Google and their ilk tell us what's supposed to be interesting. Tesla, Uber, and Waymo are behind our steering wheels. IBM is working on quantum computers compared to which the human brain seems pea-sized. Google's *Magenta Project* may one day lead to Artificial Creativity. And all that's just for starters!

But let's be clear: Technology itself is neither good nor bad; it is morally neutral, just a tool. Tech writer Kevin Kelly once said that "computers are for answers; humans are for questions."

Or to put it another way: Technology has no ethics – that's simply our responsibility. But should we leave the job to science and business? Definitely not. Scientists are driven by curiosity, which is what makes them able to expand the limits of the possible. And business craves progress because that leads to maximum productivity and profit. We can't really blame them: Thinking about the future in terms of human benefit is not really part of their job descriptions.

Lots of people don't understand this, or else they don't care who shapes their political and social futures. How else to explain the sudden rise and fall of the Pirate Party in Germany in 2011/12: this movement had nothing to offer, except a kind of liquid democracy involving unconditional basic income ideas, strong data/privacy protection, a revolt against antiquated copyright laws, and plenty of internal chaos – and that was all.

Yet at least they created the impression that their aim was to give politics and society a say in their own future. For a while, they raised our hopes that lateral thinkers, questioners, troublemakers, artists and philosophers might take the helm. The expectation was that politicians would rediscover things like sense and meaning, ethics and aesthetics. But as it turned out, the Pirates weren't able to deliver as promised, and they sank like a stone. Only their dreams remain.

So, what is to be done? Why not start by waking up? We need

IMAGE © iStock.com/Asergieiev

progressive politicians who are willing to stand up and get involved. Social democracy used to stand for policies that put the latest technologies to work in the interest of social progress. That was the reason Lasalle and Bebel founded the SPD (German party) in the first place, 155 years ago. Today, local and regional chapters of the SPD are actually debating the need to shut down the party's Facebook page because, as they say, Facebook is "evil." That is an essentially, conservative stance, and one that leads in a completely wrong direction. But the German SPD is hardly a lone example. The collective demise of social democracy in Europe is the result of the parties' lack of answers to technological change. Sadly, there are no other progressives in sight to whom we could turn could fill the gap.

This refusal to do the job and general lack of perspective on the part of the former progressives is a clear and present danger for our liberal democracies. We really need to worry about digitisation, automation, virtualisation and globalisation if it is taking place beyond the control of us or of responsible political forces. Despite Europe's pretty strong economies and solid job markets, populists are being elected right and left simply because they postulate a deceptively simple view of the future: Stop change in its tracks, they say! Bring back the past, parties such as AfD, FPÖ, and SVP demand – instead of thinking about ways to shape the future.

The answer to this kind of reactionism is not to stop making promises, but to make better promises!

That is why we need future scenarios that quicken our curiosity, raise our hopes and force us to look forward. Machines and intelligent algorithms may free humans from many hateful jobs – scientists are talking about the possible elimination of 60–85 per cent of all routine work. It will be the dull and the repetitive grunt stuff that we will one day delegate to robots and AI. As long as our basic needs are filled, we humans may finally be free to involve ourselves with other things (or other people) and to perform tasks that will actually make the world a better place.

**"Technology itself is neither good nor bad;** it is morally neutral, just a tool"

And there's even more to come. Vertical farming and protein from petri dishes ('lab to fork') may before too long make hunger and malnutrition things of the past, as well as helping us achieve our climate goals (not to mention the animals and their welfare). 3D printers may well do away with the need to move some of the things we think we need over long distances; instead we can simply print them on-demand (like GM's 3-D printed seat brackets). And since our carsharing services could be sending a self-driving car right to our doorstep, fewer people may feel the need to own a car anymore. Cloud-based healthcare records and the imminent convergence of biology and technology will lead to forms of personalised medicine that will be both simpler and cheaper to administer, improve the health and lives of everyone.

Unfortunately, this whole story sounds too good to be true, at least as long as the storytellers all reside in Silicon Valley, and increasingly, in China. Here in Europe, also stoked by Hollywood, we prefer to splurge on apocalyptic fantasies. Not that the fears thus articulated are completely unfounded: There is a serious danger that our data and our connectivity itself will be misused, and exponential technologies such as AI could spiral out of control. We should therefore probably mistrust all overly optimistic narratives about the future – instead, what we desperately need is a good mix of foresight and optimism, with a pinch of public and private control added in for good measure. This, of course, will require politicians who are both courageous and questioning.

We all need to think big, even exponentially, instead of linearly as in the old days; that's if we want to inspire the future and turn it into a strong promise. The world will continue to change, faster and more thoroughly than ever. "Business as usual" in processes and regulation won't help us to set the necessary switches and change our direction. It's fine for the Green European parliamentarian Jan Albrecht to say that "data is the new oil" and demand more protection. But if all that leads to is too much regulation in the traditional sense, not much is gained. As an example, the EU's General Data Protection Regulation (GDPR) might be seen, by some, as yet another bureaucratic monstrosity whose only result so far has been loads of emails

**"So, what is to be done? Why not start by waking up?** We need progressive politicians who are willing to stand up and get involved"

instead of increased data security and transparency. Data is and can, of course, still escape EU jurisdiction. So why not create a safe harbor for data here in Europe; why aren't there calls for an EU Cloud?

Perhaps, we are asking too much from politicians whose qualifications first require a degree in political science or jurisprudence, followed by many years of low-pay toil in the office of some assemblyman or parliamentarian, ending up (if they're lucky) with a sinecure in some state or party-affiliated institution.

We think what we really need is a European "Digital Ethics Council" to give politicians and public figures guidance for future-oriented action. This body should consist of thinkers, scientists and researchers from across the political spectrum, philosophers, authors, thought-leaders, and artists. Its mandate should be to conduct and popularise an ongoing debate about the framework within which exponential technologies should exist, in the future. It should publish recommendations for states, governments, politics and business to follow, thus giving impetus and direction to these discussions. These could then form the basis for multinational and global agreements.

International moratoria are nothing new; for chemical and nuclear weapons of mass destruction they've been around for decades following humanity's horrendous experiences with technological 'advances' in both World Wars. What we need now are similar socially and legally binding frameworks on AI (particularly AGI – artificial general intelligence) and human genome engineering. This time, however, we can't afford to wait for the next Hiroshima-like event to happen. The effects of yet another fall from grace could prove to be irrevocable; we will soon be unable to turn back the clock on artificial intelligence, as much as we may want to.

The chances are slim, however, that the United States or China would participate in any such voluntary measures. After all, they are the homes of the Big Players in the digital industry; companies like Google, Facebook, Baidu, Alibaba and Tencent. These leading global platforms need to continually earn their license to operate by putting in place proven and effective measures that serve to keep our data (aka the 'digital copies of ourselves') safe from theft or misuse. How can it be that global enterprises with hundreds of millions or even billions of users are monitored and policed less strictly than the mass media or banks? Similarly, allowing these same companies to rake in virtually, limitless profits thanks to the sinking or disappearing marginal costs of doing business digitally. Modern technology needs a modern logic of taxation.

Tomorrow's on its way, and its coming faster than you think. In some places, it's here already – only we haven't noticed yet. It will bring lots of magic which we all can experience and share. But to ensure that it works for the betterment of humanity and not the other way around, we need to get involved, to shape the future in the ways we want. We must be ready and willing to dream, and if necessary, to fight. We're heading for tomorrow today. Wake up and join us!

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# **WARNING:** ONLY FOR THOSE WITH **2020 VISION**

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# Spotlight
# ON EUROPEAN HOTEL INDUSTRY GROWTH

**THE LATEST** ECM-MKG European Destinations Observatory report[1] points out that, in European cities, the Revenue Per Available Room (RevPAR)[2] experienced a 3.6 per cent growth after 6 months in 2018. The Occupancy Rate[3] increased by 0.9 points and the Average Daily Rate (ADR)[4] by 2.3 per cent. Midscale and Upscale/Upper Upscale are on a dynamic trend with a RevPAR that rose respectively by 4.3 per cent and 3.1 per cent compared to last year. Overall, a growth can be observed throughout Europe, especially in France, Benelux and Portugal.

The RevPAR in Benelux and France grew healthily during the first 6 months of 2018. Belgium and the Netherlands observed an increase in their hotel performances, (+ 8.8 per cent) and for their RevPAR.

Brussels' RevPAR rose by 8.9 per cent, mostly thanks to a 4.9 per cent increase in its Average Daily Rate. Ghent (+ 4) is on a positive trend too. In this Benelux area, Luxembourg, had a RevPAR increase (+ 3), while Amsterdam, after the organisation of international business events, recorded a RevPAR increase of 7.9 per cent and the second highest occupancy rate among this sample of cities.

France showed a growth (+ 8.1) thanks to its strong touristic pole: Paris, which had a 2.8-point increase in occupation rate, and a RevPAR rise of 8.1 per cent. Other cities like Nice (+ 13.5) Montpellier (+ 7.7) and Dijon (2.8) also recorded a RevPAR increase. Biarritz/Bayonne is on a negative trend (RevPAR: – 6.1), as are Lyon and Marseille (respectively – 1.3 and – 1.2).

In the United Kingdom and Germany, the RevPAR is on a slight positive trend. London (2nd), Hamburg (5th) and Liverpool (7th) are in the top 10 of the best occupancy rates in Europe. In Germany, some cities are on a downward trend (Düsseldorf, Cologne and Hannover), in spite of a strong business activity, while Nuremberg, Stuttgart and Dresden recorded a RevPAR increase of 9.8 per cent, 7.9 per cent and 6.3 per cent respectively.

Italy posts an increase in its RevPAR (+ 3.4). This positive change can be explained by the good results recorded in Milan (+ 6.1), Bologna (+ 2.8) or Rome (+ 2.1). Venice continues to be on a negative trend (RevPAR: – 8.8) but the occupancy rate increased compared to last year.

On the Iberian Peninsula, tourist arrivals continue to grow. Under the effect of Spain and Portugal's internal dynamics (improved economic context) and carryovers of visitors from Mediterranean destinations affected by different events since a few years.

All cities in Spain (+ 1.8) and Portugal (+ 8.2) gained a strong RevPAR increase for the beginning of year. For example, Madrid noted an increase of 1.6 per cent following the hosting of many international business meetings this year. On the other hand, Barcelona recorded a RevPAR decrease of 6.6 per cent.

Other cities had an improvement in their RevPAR: Zaragoza, Valencia and Seville saw a RevPAR increase between 8.5 per cent and 14 per cent. Lisbon, which organised a few international conventions in this first part of the year, also posted a RevPAR increase of 6.3 per cent.

Eastern Europe's performances are heterogeneous. Warsaw posted a stable RevPAR (– 0.4) in spite of a rise in Average Daily Rate (+ 2.4). Budapest, thanks to its solid business activity, is off to a good start this year, counting a RevPAR increase of 9.3. Vienna recorded a stable RevPAR but Prague, which hosted many congresses and conferences, also noted a RevPAR improvement (+ 1.9): the occupancy rate rose by + 1.6 points and the Average Daily Rate is stable (– 0.2) compared to 2017.

*[1] ECM-MKG European Destinations Observatory report: A report produced by MKG Hospitality and released several times a year by European Cities Marketing that presents the development of key performance indicators for ECM member cities.*

*[2] RevPAR: Revenue Per Available Room – Occupancy Rate x average price or room revenue divided by available rooms.*

*[3] Occupancy Rate: Number of rooms sold divided by number of available rooms.*

*[4] ADR: Average Daily Rate – room revenue divided by number of sold rooms.*

IMAGE © iStock.com/3d-Guru

Emirates

# Emirates Unveils WORLD'S FIRST INTEGRATED BIOMETRIC PATH

**EMIRATES** is gearing up to launch the world's first biometric path which will offer its customers a smooth and truly seamless airport journey at the airline's hub in Dubai International airport.

Utilising the latest biometric technology – a mix of facial and iris recognition, Emirates passengers can soon check in for their flight, complete immigration formalities, enter the Emirates Lounge, and board their flights, simply by strolling through the airport.

The latest biometric equipment has already been installed at Emirates Terminal 3, Dubai International airport. This equipment can be found at select check-in counters, at the Emirates Lounge in Concourse B for premium passengers, and at select boarding gates. Areas where biometric equipment are installed will be clearly marked.

Trials for the Smart Tunnel, a project by the General Directorate of Residence and Foreigners Affairs in Dubai (GDRFA) in collaboration with Emirates, was launched in October. It is a world-first for passport control, where passengers simply walk through a tunnel and are "cleared" by immigration authorities without human intervention or the need for a physical passport stamp.

Once its internal tests are completed, Emirates will shortly launch trials for biometric processing at the other key customer points at the airport – check-in, lounge, and boarding gate – and subsequently at transit counters/gates, and for its chauffeur drive services. All biometric data will be stored with GDRFA, and customers invited to participate in the trials will be asked for their consent.

Adel Al Redha, Emirates' Executive Vice President and Chief Operations Officer says: "Guided by our chairman His Highness Sheikh Ahmed bin Saeed Al-Maktoum, Emirates continuously innovates and strives to improve our day-to-day business. After extensive research and evaluation of numerous technologies and new approaches to enhance our passenger journey, we are now satisfied with the preliminary work we have carried out and are ready to commence live trials of the world's first biometric path at Emirates Terminal 3."

"These ground-breaking initiatives are a result of close collaboration with our stakeholders – particularly GDRFA who have been instrumental in the programme to bring the biometric path to fruition. The recent launch of the Smart Tunnel trial by GDRFA is a great achievement and clearly demonstrates the unique and collaborative nature of innovation at Dubai airport. All systems will eventually be linked with each other resulting in better service to our customers and a happier journey whether arriving, departing or transiting in Dubai. This is very much in line with Emirates' 'Fly Better' brand promise. We will soon invite customers to participate in the trials for our biometric path, and we look forward to their feedback."

**"Emirates' biometric path will improve** customer experience and customer flow through the airport"

Major General Mohammed Ahmed Almarri, Dubai General Directorate of Residency and Foreigners Affairs (GDRFA) says: "We are pleased to roll-out these new initiatives at Terminal 3 in collaboration with Emirates and our airport stakeholders. The Smart Tunnel tests are running smoothly, and we are now preparing to mobilise the other biometric systems at the other areas in T3. All these initiatives are in line with the government's vision to be a world leader in innovation and public services. It will ultimately improve the traveller experience at the airport and enhance the efficiency of our operations."

Emirates' biometric path will improve customer experience and customer flow through the airport with less document checks and less queuing. Eventually, the "live" passenger tracking capability will also improve security and the airline's ability to deliver even better and more personalised services. For instance, enabling the Emirates airport team to locate and assist 'late' customers who would otherwise miss their flights.

The airline's biometric path will cover departures, arrivals, transit, chauffeur drive connections, and lounge access in Dubai. Initially focused on First and Business class travelers, Emirates intends to speedily extend the biometric path to Economy class travelers in Dubai, and in the future potentially to other airports outside of Dubai, and also for its own dedicated crew check in facility.

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Holland.

# ICC Sydney
# SUCCESSFULLY STAGES SIBOS

**INTERNATIONAL** Convention Centre Sydney, (ICC Sydney) has staged Sibos, the world's premier financial services event, welcoming more than 7,600 business leaders, academics and entrepreneurs from 150 countries.

ICC Sydney collaborated with event organisers, SWIFT, to create a dynamic delegate experience featuring a complex multi-day conference programme and world class trade show with 180 exhibitors alongside custom-built stands, interactive zones and live activations.

To support the premier event, both the Convention and Exhibition Centres were exclusively activated for four days, while an additional 75 private meetings ran concurrently to the official programme in a range of ICC Sydney's flexible spaces.

Pop-up and multi-purpose locations were also set up for delegates to enjoy between sessions, taking full advantage of the venue's waterside location and natural light.

New South Wales Minister for Finance, Services and Property, Victor Dominello says Sibos is a prime example of the magnitude of benefits global meetings generate for their host city, delegates and industry.

"Sydney is recognised as an international finance hub and business centre, and the scale of knowledge creation and trade investment that took place at Sibos was unprecedented. It has firmly positioned our city as a premier business events destination with outstanding facilities, leading expertise and creative problem solvers."

ICC Sydney CEO, Geoff Donaghy says it takes a collaborative city to win and host a high-impact, international event like Sibos.

"Along with many great partners, ICC Sydney supported BESydney to win the bid for this event. The entire city worked tirelessly to ensure Sibos delegates enjoyed the full-spectrum Sydney experience – from the Convention Centre ferry services, the calibre of local restaurants to the brilliant City of Sydney volunteer guides across the venue and the precinct.

"We are also immensely proud of our team and the multifaceted event concept we delivered, which reflects almost five years of planning and includes our most complex catering effort to date."

Head of Sibos, Chantal Van Es says ICC Sydney provided the perfect intersection of energy, innovation and expertise for the event, underpinned by supreme professionalism.

"We received overwhelmingly positive feedback daily from our delegates who were impressed with the friendly manner and can-do attitude of the ICC Sydney team, their efficiency and their flexibility to quickly address every and any need."

Held in October, the Sibos programme content featured in-depth panel sessions, debates and hundreds of high calibre international and local speakers while connecting global business leaders and revealing the latest innovations in the digital economy.

Industry experts delved into the future of banking and shone a light on the world of open banking while highlighting the strength of Sydney's surging FinTech community.

During his keynote address, ANZ Bank CEO, Shayne Elliott, commented that banks will need to increasingly partner with startups and global tech giants as the universal banking model changes.

To encourage such collaboration between the world's financial institutions, top FinTech companies, local startups and leading universities exhibited in a new space at ICC Sydney – the Discover Zone – created for Sibos, which united innovation stakeholders from across the convention into one distinct area, providing an arena, complete with a stage, within the Exhibition Halls.

Donaghy said that Sibos will certainly exceed its estimated A$40 million in economic impact and even though the event has concluded, it will leave a lasting legacy that ripples beyond city-centre borders.

PHOTO Guy Wilkinson

# Invent the Company THAT WILL PUT YOUR COMPANY OUT OF BUSINESS

## Why the most successful companies today are business innovators and what this really means.

**DESIGN THINKING.** Open innovation. Closed innovation. Iterative innovation. Disruptive innovation. There are scores of books and articles about innovation (and here's another!); countless conferences dedicated to it, and numerous processes and methodologies being developed, evangelised and debated around it. But amidst it all, there is one critical issue that isn't getting the attention I believe it warrants – or needs: the difference between *product innovation* and *business innovation*. Why does this distinction matter? While product innovation can create great business value, the most successful companies today (and those that will continue to thrive tomorrow) are business innovators.

There are, of course, a group of companies legendary for their repeated triumphs in product innovation. Apple, GE and IBM top this class. They all have immense innovation budgets and well-established processes for converting their investments into lucrative commercial products. It is notable that these companies take a variety of approaches to product innovation. Some centralise their efforts in an R&D department that is tasked with developing new products and new technologies to be commercialised – Think Bell Labs, IBM Research or Google X. Others create multiple individual innovation silos that operate in almost total secrecy from one another. Innovation is budgeted for in the individual business units. To varying degrees, GE and Apple operate in this way. These different methods can all work and have all produced brilliant commercial successes at various times. Some of them you would even call disruptive. However, the focus in these companies tends to be on *the thing* – the technology or the product that can be packaged, marketed and purchased for commercial success. Their products and services tend to build in a linear way on past knowledge and past achievement. (There is no criticism implied here; you could do a lot worse than enjoy the success that the best companies in this category enjoy.)

Business innovators, on the other hand, zero in on systems and experiences. They concentrate on creating entirely new ways for customers to meet goals, or even to accomplish things people couldn't even imagine before. Their innovation efforts involve a combination of elements that result in something entirely new in the world. Many of the most famous Silicon Valley startups are business innovators: Paypal, Amazon, and Uber are leading examples.

Interestingly, when we hear of a business or an industry being "disrupted," it's often *product* innovators being disrupted by *business*

**"Innovation needs to be more than a buzzword** in your company"

innovators. For instance, Kodak was a legendary product innovator in the photography space. Yet if you had asked its leaders what business they were in, they would have likely told you they were in the film business. Suddenly, digital photography arrived on the scene; and then – Instagram. Could Kodak have competed in these spaces? Of course. Just not by creating better and better versions of its existing products. The auto industry is another sector in the throes of disruption. And again, the product innovators are being disrupted by business innovators. This disruption is in the early stages so it's not yet obvious to everyday consumers, but the category will look vastly different in a few years. This doesn't mean all car manufacturing companies disappear, but it does mean the best of the *product innovators* in automotive will learn to become *business innovators*. And those that don't will face a Kodak-like event.

How can you become a better business innovator? Effort follows money. Start by allocating budget for innovation. Instead of concentrating on product innovation in your current category, establish a cross functional innovation budget. Set some clear goals. Put someone with business innovation experience in charge of that money. Institute ground rules for accessing the money. Encourage thinking that crosses disciplines and silos. And give the entire team one overarching objective: to invent the company that will put your present company out of business.

When you look at a problem that way you often discover that your greatest threat comes from outside your current category. Or that winning in the future will require rethinking your business model. Another way to think about this is to look at things through the eyes of your customer. What is the totality of the experience they have with you today? What experiences are they having with other businesses in other categories that might be applied to yours? What are the opportunities to completely change the experience they have with your product or service?

The simple act of establishing a budget for innovation that cuts across silos in your company will put you ahead of most of the small and mid-sized companies in the world, and many of the really big ones. Taking a more holistic approach to thinking about (and funding) innovation encourages a more collaborative working style by your organisation. Which bring different perspectives to bear on problems and hopefully help you see around some of the corners in the future.

If you're the CEO, you don't need anyone's permission to implement this budget. But if you're not head honcho, and you need to build a business case for doing this, the 70 20 10 rule is a good place to start. A 10 per cent allocation to transformative business innovation can be a very effective hedge against threats that you can't see today, but could turn your tomorrow upside-down.

The bottom line is this: innovation needs to be more than a buzzword in your company. It needs to be integral to your business and threaded throughout everything you do. Companies can no longer compete on great products. Instead, be a business innovator and create a customer experience no one else can rival.

*Published with permission by Oxford Business Group.*

PHOTO Sara Appelgren

**ROGER KELLERMAN** *Publisher, business intelligence analyst, trend creator, educator and networker. Has over 30 years' experience of the global meeting industry. Founder of Mötesindustriveckan.* *twitter.com/thekellerman*

# Our Knowledge Bank IS GROWING

**THE WORLD** has changed beyond recognition since I took my first tentative steps into professional journalism some 40 years ago. I began at a small Swedish local newspaper and wrote about anything and everything, from accidents and sport to the arts and social issues. It was an ideal way to learn about the society we lived in.

In 1984, fortune smiled upon me and I was able to start my own magazine. It was here I began writing about the meetings and events industry. It gave me the opportunity to travel the world, which opened my eyes early to the fact that not everything was as cosy as in safe and secure Sweden. Europe, the Middle East, Asia, Australia, New Zealand and the USA became important knowledge centres, from which I gained new broader and deeper insights into how their meetings industries functioned.

Later on, economic surveys were conducted which showed that everything I believed about the economic size of the meetings and events industry was true. It is a large and significant industry that develops individuals, associations, organisations, companies, colleges, universities and whole societies. Too bad that so few politicians understand this. But this issue is also up to the industry representatives.

Several years ago, we finally added Africa to our knowledge bank, most recently Rwanda and the eastern part of the continent. At the end of the year we are travelling to South America to learn more about developments in Colombia, among other places. Slowly but surely, we have become better at reporting on events in different parts of the world.

Our knowledge of the meetings and events industry we have mainly acquired from the people we have met over the years. Representatives and members of various networks, companies and organisations such as ICCA, PCMA, MPI, INCON, IACC, JMIC, AIPC, IAPCO, SITE, IMEX, IBTM World, Best Cities. New insights and knowledge have also been shared by all the people throughout the world who make up our network. People who regularly report on the latest events and developments. This may seem obvious but is far from it. At the same time, information pours into our computers that can be categorised as dross that is almost impossible to protect yourself against.

The debates on the less than positive merits of social media have brought the social channels down a peg or two during the year. What can we expect in the next five years? We may know more this after the Best Cities Global Forum in Bogotá in December. An ever-present source of new knowledge flows to us from across the globe. We work on it and continue to create and develop constructive journalism.

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# Talking about innovations.
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