THE BUSINESS SCHOOL

An Investigation into the Current State of International Conference Tourism in Saudi Arabia and an Assessment of its Future Development Possibilities

Submitted by

HAIFA ABDULLAH

to the University of Exeter as a thesis for the degree of
Doctor of Philosophy in Management Studies,
in June 2011

This thesis is available for Library use on the understanding that it is copyright material and that no quotation from the thesis may be published without proper acknowledgement.

I certify that all material in this thesis which is not my own work has been identified and that no material has previously been submitted and approved for the award of a degree by this or any other University.

Signature……………………
This research study aims to assess the potential for Saudi Arabia to become an international conference destination. Faced with problems created by rising unemployment, a rapidly growing population, and fears over dependence on petroleum output and price, the kingdom is currently looking to develop new sources of employment and national revenue. Having joined the World Trade Organization in 2005, Saudi Arabia is committed to liberalizing its markets and opening to foreign participation by creating investment and business opportunities. Developing an international conference sector is considered a potentially suitable way to meet the current domestic and international imperatives to change and the challenges these present.

The growth of new markets and international conference destinations in a globalizing economy is leading to increased research. However, the field is still young: there has been limited attention paid to the perspective of delegates and much of the research has been concerned with western destinations. As no other study has been carried out into the potential of this sector in Saudi Arabia, or the Gulf region, this research makes an original contribution to knowledge.

A mixed methods approach was adopted to explore and assess both the practical capacity of the country to host international conferences and the socio-political context that might impact on this development. The primary sources of data were officials in the field and visiting delegates, whose views and knowledge were obtained through the use of both quantitative and qualitative methods (through a questionnaire and interviews respectively). The results are integrated in the final discussion.

The findings indicate that, although Saudi Arabia has the practical capacity to host international conferences, the effects of an ambivalent attitude towards opening up to the outside world – expressed through a number of factors embedded in the socio-political situation in the kingdom – has led to an impasse which is blocking development.
This document is dedicated to my husband - for his support and for the willpower to succeed that he instilled in me - and to my children who have supported me unconditionally.
I would like to thank Professors Gareth Shaw and Tim Coles, my supervisors, for their constant support and help and for detailed feedback and suggestions which have proved invaluable.

My appreciation goes to the officials and delegates in Saudi Arabia and the UAE who so kindly participated in the research.

I am, as always, grateful to my parents, Aisha and Mohammed, for their encouragement and for giving me the emotional support I have needed throughout the process of doing this research.

I would like to thank my children, Khaled, Faisal and Shahd, for their patience and understanding when they have had to sacrifice time they could have had enjoying things with me.

Gratitude to my husband, Ahmed, for enabling me to fulfill a dream. His encouragement from the beginning, help in the process, and ongoing support have been really appreciated. We will always fondly remember these years at Exeter as an exciting, but also challenging, time.

My sisters and brothers have been a constant source of support and love. Special thanks go to my sister Mona; I will not forget the wonderful help she gave me after I gave birth to my third child halfway through this research project.

A heartfelt thank you to Miranda Broadhead for her editing and questions, for the real interest she has shown in the work, and for all the hours we have spent together sifting through the evidence and working through ideas.

Finally, I would like to thank all the other special people I know who have given me encouragement, support and advice. I am truly blessed to have them in my life.
# TABLE OF CONTENTS

- **ABSTRACT** ii
- **DEDICATION** iii
- **ACKNOWLEDGEMENTS** iv
- **TABLE OF CONTENTS** v
- **LIST OF FIGURES** ix
- **LIST OF TABLES** x
- **LIST OF ACRONYMS** xii

REFERENCES 247
APPENDECIES 263

## CHAPTER ONE

**INTRODUCTION** 1

1.1 Introduction 1
1.2 The Saudi Arabian Context 2
1.3 Research Aims and Objectives 9
1.4 Structure of the Thesis 11

## CHAPTER TWO

**BACKGROUND TO THE MEETINGS INDUSTRY** 15

2.1 Introduction 15
2.2 An Overview of the Meetings Industry 16
2.2.1 Description and Definition of the Meetings Industry 17
2.2.2 Issues with Statistics 20
2.3 Industry Developments 22
2.3.1 Growth – Numbers and Locations 22
2.3.2 Current Trends and Issues 25
CHAPTER THREE

LITERATURE REVIEW

3.1 Introduction

3.2 Overview of ‘Event Site Selection’ and the ‘Decision-Making Process’

3.2.1 Site Selection for Events

3.2.2 The Attendee Decision-Making Process

3.3 Specific Factors Influencing 'Event Site Selection' and the 'Decision-Making Process'

3.3.1 Location Factors

3.3.1.i Image

3.3.1.ii The Site Environment

3.3.1.iii Extra-Conference Opportunities

3.3.2 Venue Factors

3.3.3 Travelability

3.3.3.i Accessibility

3.3.3.ii Cost

3.3.3.iii Safety and Security

3.4 Conclusion

CHAPTER FOUR

METHODOLOGY
CHAPTER FIVE
THE CAPACITY OF SAUDI ARABIA TO HOST INTERNATIONAL CONFERENCES

5.1 Introduction 136
5.2 Profile of Sample Groups 137
5.3 Participants’ Experience of International Conferences and of the Middle East 138
5.4 Perceptions and Attitudes 144
5.4.1 Factor Analysis 145
5.4.2 Macro Capacity 155
5.4.3 Practical Capacity 161
5.5 Conclusion 171
CHAPTER SIX
THE INDUSTRY IN SAUDI ARABIA: PERCEPTIONS AND PERSPECTIVES 181
6.1 Introduction 175
6.2 Analysis of Interviews with Officials 176
6.3 Analysis of Interviews with Delegates 188
6.3.1 Delegates: a Focus on the Socio-Political 189
6.3.2 Delegates: a Focus on Capacity 206
6.4 Conclusion 213

CHAPTER SEVEN
CONCLUSION 217
7.1 Introduction 217
7.2 Final Discussion and Conclusions 218
7.2.1 The KSA’s Capacity to Host International Conferences (Objectives 1 and 3) 219
7.2.1.i Current Provision of International Conferences (Research Question 1.i) 219
7.2.1.ii Perceived Global Capacity (Research Question 1.ii) 221
7.2.1.iii Current Provision of, and Perceived Global Capacity for, International Conferences in the UAE (Research Questions 3.i & 3.ii) 226
7.2.2 The Socio-Political Feasibility of KSA’s Development in this Field (Objectives 2 and 3) 229
7.2.2.i Ambivalence in the KSA 229
7.2.2.ii Lack of Socio-Political Constraints in the UAE 232
7.3 The Potential for Saudi Arabia to Develop as an International Conference Destination 232
7.4 Recommendations for the Development of the International Conference 235
7.5 Contribution to Knowledge 239
7.6 Limitations of the Study 241
7.7 Recommendations for Future Research 244
LIST OF FIGURES

Figure 1.1: Structure of Chapter One within the Thesis .......................................................... 1

Figure 2.1: Prime Destinations for Events by 2012 ................................................................. 30
Figure 2.2: Suppliers, 2008: World Regions with most Future Growth Potential ................. 31
Figure 2.3: Suppliers, 2009: World Regions with most Future Growth Potential ................. 32

Figure 3.1: The Relationship between Demand and Supply .................................................... 44
Figure 3.2: Modified Model of the Conference Participation Decision-making Process .......... 54

Figure 4.1: Outline of Chapter Four ......................................................................................... 83
Figure 4.2: Mixed Method Design Matrix .............................................................................. 89
Figure 4.3: Sample by Region of Origin: KSA ................................................................. 115
Figure 4.4: Sample by Region of Origin: UAE ................................................................. 115
Figure 4.5: Sample by Gender: KSA ................................................................................. 116
Figure 4.6: Sample by Gender: UAE ................................................................................. 117

Figure 5.1: Scree Plot of Components ................................................................................... 148
LIST OF TABLES

Table 2.1: Number of Meetings per Country ................................................................. 24
Table 2.2: Number of Meetings per Continent ............................................................. 24
Table 2.3: Average Number of Participants per Conference per Year ......................... 26
Table 2.4: Average Registration Fee & Total Expenditure (US $) per Delegate per Meeting ........................................................................................................ 27

Table 3.1: Important Elements in Venue Selection and Satisfaction ......................... 73

Table 4.1: The Mix of Methods used to Achieve the Study Objectives ..................... 87
Table 4.2: Contrasting Paradigms ................................................................................... 90
Table 4.3: The Four Conferences ................................................................................... 99
Table 4.4: Total Reliability Statistics ........................................................................... 111
Table 4.5: Nationalities of Delegates .......................................................................... 114
Table 4.6: Participants at Conferences in Saudi Arabia .............................................. 124
Table 4.7: Participants at Conferences in the UAE ...................................................... 124

Table 5.1: The Samples ............................................................................................... 137
Table 5.2: International and Middle East Conferences Attended ............................... 140
Table 5.3: Previous Experience of the KSA and the UAE .......................................... 142
Table 5.4: Length of Stay and Source of Information: the KSA and the UAE .......... 143
Table 5.5: KMO and Bartlett’s Test ............................................................................. 146
Table 5.6: Total Variance Explained .......................................................................... 147
Table 5.7: Rotated Component Matrix ........................................................................ 149
Table 5.8: The Extracted Components ........................................................................ 150
Table 5.9: Test for Internal Consistency of Components ........................................... 151
Table 5.10: Normality Test for Component 1 ............................................................... 152
Table 5.11: Component 1: Means and Standard Deviation ........................................ 153
Table 5.12: T-test (Independent Sample) for Component 1 ........................................ 153
Table 5.13a: Macro Capacity: Responses to Statements on the KSA ......................... 155
Table 5.14:  Macro Capacity: Statistical Differences between the KSA and the UAE . 159
Table 5.15a: Practical Capacity: Responses to Statements on the KSA......................... 163
Table 5.16:  Conference Facilities: the KSA and the UAE....................................... 165
Table 5.17:  Attitudes to Gender Segregation by Gender (KSA) ............................... 167
Table 5.18:  Practical Capacity: Statistical Differences between the KSA and the
                      UAE............................................................................................................... 168
Table 5.19:  Main Problems by Location: the KSA and the UAE............................... 169
LIST OF ACRONYMS

ADNEC  Abu Dhabi National Exhibition Centre
ADTA  Abu Dhabi Tourism Authority
BECA  Business Events Council of Australia
CHRIE  Council on Hotel, Restaurant and Institutional Education
CIC  Convention Industry Council
DICEC Dubai International Convention and Exhibition Centre
GIBTM Gulf Incentive, Business Travel and Meetings Exhibition
GITOF Gulf Investment and Tourism Forum
GCC Gulf Corporation Council
GMEC Gulf Meetings and Events Conference
HSCT High Supreme Commission for Tourism
IACVB International Association of Convention and Visitor Bureau
IAEE International Association of Exhibitions and Events
ICCA International Congress and Convention Association
ICT Information Communication Technology
JEF Jeddah Economic Forum
JMIC Joint Meetings Industry Council
KSA Kingdom of Saudi Arabia
MICE Meetings, Incentives, Conferences and Exhibitions
MPI Meetings Professional International
OBB Organizational buyer behaviour
PCMA Professional Convention Management Association
SAGIA Saudi Arabia General Investment Authority
TSA Tourism Satellite Account
UAE United Arab of Emirates
UIA Union of International Associations
UNWTO United Nation World Tourism Organization
WTO World Trade Organization
IAMM International Associations Meetings Market