

The importance of congress tourism for the development of the Republic of Serbia

Značaj kongresnog turizma za razvoj Republike Srbije

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Abstract

Congress tourism or meetings industry is one of the fastest growing segments on the tourism market. Congress tourism has a positive effect on the development of the country's economy, providing additional economic effects, extending the season, and strengthening the image of destination. The aim of the paper is to analyze the impact of congress tourism on hotel performances, tourism performances, as well as the impact on macroeconomic indicators in the Republic of Serbia for the period 2015-2022. Regression and correlation analysis were used to check the hypotheses. The results showed a partial connection between congress and hotel performances, as well between congress and tourism performances, while no relation between congress and macroeconomic indicators were found. Based on the obtained results, it can be concluded that congress tourism in the Republic of Serbia has a significant impact on hotel and tourism performances, while there is no significant impact on macroeconomic indicators.

Keywords: business tourism, congress tourism, meetings industry, Republic of Serbia

Sažetak

Kongresni turizam ili industrija sastanaka je jedan od najbrže rastućih segmenata na turističkom tržištu. Kongresni turizam pozitivno utiče na razvoj ekonomije zemlje obezbeđujući dodatne ekonomske efekte, produžetak sezone, jačanje imidža destinacije. Cilj rada je da analizira uticaj kongresnog turizma na performanse hotela, turističke performanse, kao i uticaj na makroekonomske pokazatelje u Republici Srbiji za period 2015-2022. godine. U radu su za testiranje postavljenih hipoteza korišćene regresiona i korelaciona analiza. Rezultati su pokazali delimičnu povezanost kongresnih i hotelskih performansi, kao i kongresnih i turističkih performansi, dok između kongresnih performansi i makroekonomskih pokazatelja nije ustanovljena značajnija povezanost. Na osnovu dobijenih rezultata može se zaključiti da kongresni turizam u Republici Srbiji ostvaruje značajan uticaj na hotelske i turističke performanse, dok na makroekonomske pokazatelje nema značajnijeg uticaja.

Ključne reči: poslovni turizam, kongresni turizam, industrija sastanaka, Republika Srbija


1. Introduction

Nowadays, congress tourism is one of the most profitable and fastest growing activity in the tourism sector (Popsa, 2018; Prylutskiy, 2022). Congress tourism is a recent phenomenon. As a combination of tourism, science and business, it appeared a little more than 50 years ago (Gregorić et al., 2016), while in the last 40 years it has become a very significant segment of the tourism market (Štetić, 2007) and has become a part of modern business life. One of the reasons for its rapid development is reflected in the fact that due to globalization, a large number of different markets are created. Moreover, due to

the rapid development of science and technology, there is an increased need for travel, meeting new people, gathering people from different spheres of life, where exchanges of experiences, practices and opinions are carried out, as well as discussions on various topics from the sphere of social life (Holloway, 2006; Rabotić, 2013). Many countries understood the importance of developing this type of tourism and undertook actions for its organization, promotion and presentation (Štetić, 2007), and as a result, the number of congresses, meetings and conferences grows every year in all countries.

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Congress tourism is a combination of travel, accommodation and various organizational services intended for congress tourists. This activity is specific and much broader than classic, conventional tourism. Although congresses usually last from a few hours to seven days (Šušić & Mojić, 2014; Marković, 2019), preparations for them can take several years. Congress tourism is one of the most influential segments of tourism due to the increased expenditure and higher probability of repeat visits of this group of tourists (Park & Boo, 2010). Bearing in mind that fact, there is a greater possibility of extending the tourist season for congress participants in destination, by offering various tourism products (Marković, 2019). Congress tourism creates significant economic effects for the destination, at the national, regional and local levels (Kovačević et al., 2019). The economic benefits of the congress tourism development are multiple, and further development of this selective type of tourism would result in better and stronger economic development of the Republic of Serbia.

The subject of this paper is the analysis of the impact that congress tourism has on the hotel and tourism performances, and macroeconomic indicators of the Republic of Serbia. The goal of the research is to examine and determine whether congress tourism affects hotel and tourist performances in the Republic of Serbia, as well as macroeconomic indicators. The fact that there are not many studies in domestic literature on this topic in the Republic of Serbia speaks in favor of the originality of the paperwork itself.

2. Theoretical background

The World Tourism Organization (UNWTO) defines business tourism as “a type of tourism activity in which visitors travel for a specific professional and/or business purpose to a place outside their workplace and residence with the aim of attending a meeting, an activity or an event activities of persons who for business reasons travel outside their place of permanent residence, which includes one-day and multi-day trips (with an overnight stay), but not travel which represents a regular trip to work, nor regular work trips of business people in the area where they live and work“ (UNWTO, 2019, p. 42). Therefore, business tourism includes all aspects related to traveling and staying for at least one night outside the place of permanent residence. However, there is no sharp line between tourist and business trips. The fact that business tourists very often find time for purely tourist activities on their business trips, in addition to all their business obligations, makes it quite difficult to clearly distinct business tourists from those who are traveling for fun and pleasure. Official tourism statistics count business tourists as tourists. Business tourism, therefore, has all the characteristics of classic tourism (Štetić et al., 2011). Štetić et al. (2014) state that business trips are conditioned by traveling with the aim of participating in meetings, congresses, conventions, exhibitions and incentive trips, and that those tourists use the entire set of tourist products and services within the tourist destination.

There are a number of different terms that are used as synonyms for this type of tourism on a global level, which presents a kind of problem. The fact that the lack of standardized terminology, which would denote business tourism and all its market segments, has conditioned that it is often defined by acronyms that include the most important activities within this activity (Marques & Santos, 2017, p. 440; Dimitrovski et al., 2021, p. 48): “MECE (Meetings, Events, Conventions, Exhibitions), MCE (Meetings, Conventions, Exhibitions), CEMI (Conventions, Exhibitions, Meetings, Incentives), MC&IT (Meetings, Conventions & Incentive Travel), MICE (Meetings, Incentives, Conventions, Exhibitions).”

In the literature, business tourism is denoted by terms such as “meetings and conventions industry“, “conference industry“, “convention industry“, “MICE industry“, “MICE market“ (Kovačević, 2017; Dragičević et al., 2009). Under the most commonly used term MICE (meetings, incentives, congresses, exhibitions or events), Davidson and Cope (2003) distinguish the following types of business tourism: individual business trips; meetings, that is, conferences and congresses; exhibitions and fairs; incentive trips (incentives) and corporate hospitality.

Rogers (2006) lists conferences, fairs and exhibitions, incentive travel, corporate events and individual business travel as the main types of business tourism. Each of the groups within the term MICE has specific characteristics; conferences also include vacation elements (tours, sightseeing), while incentive trips are essentially touristic (Rabotić, 2013), given that they consist of fun trips paid for by the employer with the aim of *team building*, that is, encouraging employees to “overcome the company’s challenging business goals by achieving group or individual goals“ (Čulić et al., 2015, p. 202).

Congress tourism is therefore a part of a wider field - the field of business travel (Ficarelli et al., 2013). Kovačević (2017) states that the congress is a “regular gathering of a large number of people, where everyone comes from the same sphere of education, activity and industry“ (p. 17-18). This type of tourism belongs to exclusive tourism, and the reason for that is that the tourists’ demands are higher than in conventional, classic tourism. The majority of tourists who are included in this type of tourism travel more often during the year compared to the conventional tourist who does it in their free time during the annual vacation. Therefore, there are greater demands from this group of tourist consumers related to transportation, infrastructure, and services in the destination itself (Trišić & Arsenov-Bojović, 2018).

Contemporary congress activity, and thus congress tourism, began to develop during the last two centuries in Europe and the United States (Rabotić, 2013). Swarbrooke and Horner (2001) state that the following events had the greatest impact on the development of business tourism: the industrial revolution, the development of colonialism and the development of traffic in the period between 1750 and 1900. Rabotić (2013) points out that the development of congress tourism can be connected with the development of the

quaternary sector and the increased need for the exchange of knowledge and information. There are a large number of stakeholders in congress tourism; organizers, that is, conference holders, direct service providers (congress centers, hotels), intermediaries (tourist agencies), congress participants. This type of tourism is the driver of overall economic development by generating income from tourism, supporting all participants in the organization (companies that serve as suppliers and service providers for restaurants, hotels, transportation and guided tours throughout the country, that is, destination) (Braholli et al., 2023).

The main purpose of the congress is to discuss the elements essential to work and the business activities that the participants of the congresses are engaged in (Domareski Ruiz et al., 2019), both in the scientific and in the practical sphere. Congresses are organized regularly and can be divided into congresses that are organized once a year, those that are organized every two, three or four years, as well as congresses that are organized several times during the year (Kovačević, 2017). Congress participants have the need to travel to the venue of the congress, meet people with the same or similar interests, hear experts from a certain field, improve their professional knowledge, exchange ideas or present a new product or service. Therefore, the goals of congress gatherings are different and can include buying, selling, negotiations, cooperation, coordination or management control, developing professional networks and interpersonal trust (Gustafson, 2012). According to Wootton and Stevens (1995), meetings and conferences, as a sub-sector of business tourism, achieve significantly greater development than business tourism as a whole.

The International Congress and Convention Association (ICCA), based in Amsterdam, was founded in 1963 by travel agents in order to exchange information on international congresses and conventions (ICCA, 2023). ICCA is one of the most important organizations in the congress industry market (Šušić & Mojić, 2014). ICCA (2023) gives a general definition of business travel, which also includes congress travel, and according to which business tourism is a series of activities aimed at “providing facilities and services to millions of participants who annually attend meetings, congresses, exhibitions, business events, incentive travel and corporate hospitality“. This international association publishes data on the number of held international congresses, conferences and business meetings. Convention bureaus are one of the oldest forms of destination marketing organizations and their emergence is a consequence of the development of tourism and the need for further improvement of congress activities (Rabotić, 2013). The Convention Bureau of Serbia was founded in 2007 as a special department of the Tourist Organization of Serbia, with the mission to develop, promote and position Serbia as the leading and fastest growing destination for congress tourism in Southeast Europe. The Convention Bureau of Serbia collects data on the development of business tourism and meetings industry in the Republic of Serbia (Convention Bureau of Serbia, 2023).

It is necessary, though, to make a clear distinction between congress trips and trips for pleasure and entertainment, given that these types of trips differ in motives (Kovačević et al., 2019). In congress tourism, the main motive of travel is not pleasure and leisure, but, as stated by Geić (2011), “active or passive participation of individuals in gatherings and events with different characteristics“ (p. 333). As an economic and social phenomenon, congress tourism is gaining importance in the last few years, due to its main characteristics:

- It takes place throughout the year, not only during the tourist season (Park & Boo, 2010; Mykletun et al., 2014);
- Influences the increase in employment and the construction of infrastructure (Ayaz & Samata, 2017);
- Affects the volume of trade and the creation of preconditions for the development of business activities at the local level (Foley et al., 2014; Sylla et al., 2015);
- Ensures a more even tourism development (attractive destinations, as well as cities and towns are developed) (Pechlaner et al., 2007);
- Classic tourists who come on vacation, as well as the local population, can benefit from investments in the development of congress tourism (Šušić & Mojić, 2014);
- Stimulates new foreign direct investments, trades, new businesses and job opportunities (Chan & Ling, 2022);
- It offers greater value with less negative consequences for the environment than conventional tourism (Lekić, 2019).

Congress tourism is considered as important economic activity (Markes & Pinho, 2020) and the benefits that the country has from the development of this type of tourism are multiple (Ničkova, 2021). Its advantage is that it is not seasonally limited to one or two tourist seasons, but takes place throughout the year, thus ensuring more even economic effects in the destination, that is, the host country. In addition, the image of the destination is strengthened, additional income is generated from various technical services such as car rental, telecommunications, infrastructure development, capital investments and other investments are encouraged, such as the construction of luxury hotels, employment of highly skilled personnel. The large number of participants and the large number of overnight stays of delegates in the destination, the huge costs incurred by them at international congresses, led many destinations to intensify the development and promotion of congress tourism (Kim et al., 2003). Unlike classic, congress tourism, takes place throughout the year and extends the tourist season, thereby ensuring more even economic effects in the destination (Pechlaner et al., 2007). Bearing in mind that fact, there is a greater possibility of extending the stay of congress participants by offering various tourist products (Marković, 2019).

Congresses also have an important social role, because during the congresses new acquaintances are made, as well as exchanging opinions and ideas. In addition,

congresses also have a significant cultural and recreational function, which is reflected in visits to the natural and cultural attractions of the place where the congress is held, during, before or after it (Šušić & Mojić, 2014). Congresses enable participants to spread professional knowledge, network and collaborate, personal profiling on the business market, and at the same time improve the reputation of the destination where the congress is held. Friendships acquired through participation in congresses are the cornerstone of future cooperation and joint business activities of the participants. International events of this type attract leading foreign experts from various fields, thus enabling further improvement, development and dissemination of knowledge and skills of domestic experts and scientists, all of which potentially contribute to improving the quality of services in the destination (Foley et al., 2014; Chan & Ling, 2022). In addition, congresses have a significant cultural and recreational function, which is reflected in visits to the natural and cultural attractions of the congress destination during, before or after the end of the congress event (Šušić & Mojić, 2014). Congresses are intertwined with the topics of culture, leisure, work and health (Ayaz & Samata, 2017). The element of recreational tourism that congresses have, affects the extension of the participants' stay in the destination after the congress itself and their involvement in recreational purposes, social programs, and therefore it is more difficult to make a strict distinction between congress and conventional tourism (Ladkin, 2006).

3. Research methodology and data

In accordance with the defined subject and goal of the research, the following hypotheses were tested in the paper:

H₁: There is a connection between congress tourism and hotel performances.

H₂: Congress tourism affects tourism performances.

H₃: Congress tourism has an impact on macroeconomic indicators of the Republic of Serbia.

Correlation and regression analysis were used to test the hypotheses. In order to test the hypothesis H₁: There is a connection between congress tourism and hotel performances, both correlation and regression analysis were used. Correlation analysis aims to establish the strength of the relationship between these two groups of parameters and their mutual connection (Vuković, 2013). For the purposes of determining the level of correlation, the *Pearson* method was used based on the following equation:

$$r = \frac{\sum x_i * y_i - n * \bar{x} * \bar{y}}{\sqrt{(\sum x_i^2 - n\bar{x}^2)(\sum y_i^2 - n\bar{y}^2)}} \quad (1)$$

where r is the correlation coefficient between the given parameters, x and y are the indicator values for the i -th time period, while n is the number of time periods (Zhylenko et al., 2022, p. 261). When testing with linear regression analysis, the following formula was used:

$$y_i = x_i\beta + \varepsilon_i \quad (2)$$

where y represents the dependent variable, x is a vector of independent variables, β is a vector of regression coefficients, while ε_i is a random error. The subscript i indicates the unit of observation (Kovačević, 2017, p. 17). Congress performances that were taken as independent variables in the analysis are: *the average total spending of all meetings, the number of meetings and the estimated total number of participants*. Data on congress performances are obtained from the internal database of the Convention Bureau of Serbia (Convention Bureau of Serbia, 2023). Congress performances data have been used in the papers of a large number of authors, analyzing the economic contribution of congress tourism (Hanly, 2012), as well as the number of participants and the number of meetings held (Sanders, 2004; Clark, 2004; Leask & Spiller, 2002). In order to test this hypothesis, the relationship between congress and hotel performances were examined. Hotel performances data are obtained from the STR database, which is a leader in providing data and information related to the hotel industry. STR collects data directly from the headquarters of international chains, company management, owners and independent hotels. Data is also obtained from investment companies as well as convention bureaus and tourist organizations, in order to create a complete and realistic picture of the destination. The data obtained from the Trend Report were used in the analysis, and refer to: *occupancy of hotel rooms, average daily rate (ADR) and revenue per available room (RevPAR)*. STR data on hotel performances have been used in research by a significant number of authors (Diaz & Koutra., 2013; Demirciftci et al., 2010; Enz et al., 2015; Yang et al., 2014).

In order to test the hypothesis H₂: Congress tourism affects tourism performances, the relationship between congress and tourism performances were examined, more precisely: *international tourist arrivals and international tourist receipts*. The data were taken from the official reports of the World Tourism Organization: *Tourism Highlights and Barometer*. In order to test the third hypothesis, H₃: Congress tourism has an impact on macroeconomic indicators of the Republic of Serbia, a comparison of congress performances with the following macroeconomic indicators were made: *gross domestic product (GDP), exports of goods and services and unemployment rate*. Data on macroeconomic indicators were taken from the database of The World Bank (2023). The analysis of the mentioned secondary data covers an eight-year period, from 2015 to 2022. The IBM SPSS Statistics package, 29.0.1.0 version, was used for the purpose of the research.

4. Results and Discussion

Table 1 shows the results of correlation analysis between the congress and hotel performances of the Republic of Serbia, for the period 2015-2022.

Table 1. Correlation between congress and hotel performances

Correlation	Expenditure	Number of meetings	Number of participants
Occupancy	0.823*	0.813*	0.893**
ADR	0.171	-0.080	0.078
RevPAR	0.775*	0.687	0.809*

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Source: Authors' calculation

In order to interpretate the results from the previous table easier, it is necessary to specify the intervals of the degree of correlation strength, that is, the values of *r* between these parameters, which are given in Table 2.

Table 2. Correlation strength

Correlation strength	Weak	Moderate	Good	Excellent
Interval <i>r</i>	(0.00-0.40)	(0.40-0.75)	(0.75-0.85)	(0.85-1.00)

Source: Vuković, 2013

It can be concluded that the occupancy of hotel rooms has a good correlation with *the average expenditure* and *the number of meetings*, while with *the estimated number of participants* has an excellent correlation. *The average daily rate (ADR)* has a weak correlation with all variables. Furthermore, *ADR* has a weak negative correlation with the variable *number of meetings*. Negative correlation indicates that an increase in one variable causes a decrease in another and vice versa (Vuković, 2013). The variable *revenue per available room (RevPAR)* has a statistically significant correlation with *the average expenditure of participants* and *the estimated average number of participants*, while it has a moderate correlation with the variable *number of meetings*. It can be concluded that two (out of three) hotel performances are highly related to congress performances.

The following table shows the results of descriptive statistics of independent, congress performances and the dependent variables - hotel performances.

Table 3. Descriptive statistics of congress and hotel performances

Descriptive Statistics	Mean	Std. Deviation	N
Occupancy	51.67	15.61	8
Average Daily Rate	8.31	6.89	8
Revenue per available room	43.21	14.24	8
Average total expenditure	16,517,317.88	9,472,615.72	8
Number of meetings	48.63	24.67	8
Estimated total number of participants	11,667.88	6,365.17	8

Source: Authors' calculation

The following table shows results of the regression analysis of the dependent variables *room occupancy*,

average daily rate and *revenue per available room* with each of the independent congress performances.

Table 4. Linear regression with congress and hotel performances

Linear Regression	R	R ²	Adjusted R ²	Std. Error of the Estimate	R ² Changed	F	P value
Expenditure/occupancy	0.823	0.678	0.624	9.5679	0.678	12.624	0.012
Meetings/occupancy	0.813	0.660	0.604	9.8220	0.660	11.673	0.014
Participants/occupancy	0.893	0.797	0.764	7.5857	0.797	23.629	0.003
Expenditure/ADR	0.171	0.029	-0.133	7.33131	0.029	0.181	0.686
Meetings/ ADR	0.080	0.006	-0.159	7.41675	0.006	0.39	0.880
Participants/ADR	0.078	0.006	-0.159	7.41787	0.006	0.37	0.854
Expenditure/RevPAR	0.775	0.601	0.534	9.71741	0.601	9.026	0.024
Meetings/RevPAR	0.687	0.472	0.384	11.16957	0.472	5.373	0.060
Participants/RevPAR	0.809	0.654	0.596	9.04681	0.654	11.336	0.015

Source: Authors' calculation

Thaking into account the results shown in Table 4, the following can be concluded: the variables *estimated total expenditure* and *room occupancy* are well correlated ($R=0.823$), at a significance level of 0.05. Based on the R-squared value of 0.678, it can be established that *average expenditure* explains 67.8% of the data of the *room occupancy* variable. *p* value is 0.012, which is less than the degree of significance of the test itself ($\alpha=0.05$), and therefore it can be confirmed that the *participant's expenditure* and *room occupancy* achieve a statistically significant interdependence. The regression analysis of *the number of meetings* and *room occupancy* shows a good correlation, explaining 66% of the data of the dependent variable, while the *p* value is also below 0.05, and in this case the interdependence of the parameters can be confirmed. There is an excellent correlation between

the number of participants and the *room occupancy* variable; 79.7% of the data related to *room occupancy* is explained by *the number of participants*, and the *p* value is below 0.05, so it can be concluded that there is a statistically significant interdependence with the independent variable of *the estimated average number of participants*. The results of the analysis indicate a close relationship between the analyzed indicators. It can be concluded that there is a strong relationship between the *average expenditure from all meetings*, *the number of meetings* and *the estimated average number of participants* on one hand, and the *occupancy of accommodation facilities*, on the other hand.

The dependent variable *ADR* does not have a statistically significant interdependence with any of the independent

parameters of congress performances. The correlation between the parameters is weak and the number of data explaining the dependent variable is small. In the first case, congress variables explain only 2.9% of the *ADR* data, while in the second and third case, that number is even smaller and amounts to only 0.6% of the data. The *p* value is above 0.05 in all three cases, and therefore part of the hypothesis that there is a statistically significant interdependence between congress performances and the dependent variable *ADR* can be rejected.

Linear regression of congress performances with the last dependent variable— *RevPAR*, showed a moderate correlation with *average participant expenditure*. A total of 60.1% of the data of this dependent variable can be explained by the *expenditure of the participants*, and *p* value is less than 0.05. Therefore, a significant interdependence between these two categories of data can be confirmed. In the case of *the number of meetings*, the *p* value is greater than the statistical significance level, so the relationship between *RevPAR* and *the number of meetings* is rejected. In the third case, the correlation between the *number of participants* and *RevPAR* is good;

65.4% of the data of this hotel performance is explained by the *number of participants*, while the *p* value is 0.015, which is less than 0.05. Therefore, interdependence is confirmed in this case as well.

Based on the performed correlation and regression analysis, it can be concluded that hypothesis H_1 : *There is a connection between congress tourism and hotel performances*, is partially confirmed. The hotel room occupancy parameter has a statistically significant interdependence with all three congress parameters. The *ADR* parameter does not have a statistically significant interdependence with any congress parameter, while the hotel parameter *RevPAR* is interdependent with the following congress performances: *participants expenditure* and *the number of participants*. However, no significant interdependence with the performance of *the number of meetings* was found.

Table 6 shows results of the correlation analysis between congress and tourism performances (*international arrivals* and *international tourist receipts*).

Table 5. Descriptive statistics of congress and tourist performances

Descriptive statistics	Mean	Std. Deviation	N
Average total expenditure	15,826,194.29	10,011,365.528	7
Number of meetings	49.57	26.49	7
Number of participants	11,475.43	6,849.98	7
International Arrivals	1,255.00	489	7
International Tourism Receipts	1,445.57	377.96	7

Source: Author's calculation

Table 6. Correlation analysis of congress and tourist performances

Correlation	Expenditure	Number of meetings	Number of participants
International Arrivals	0.746	0.848*	0.884**
International Tourism Receipts	-0.238	-0.418	-0.298

** Correlation is significant at the 0,01 level (2-tailed).

*Correlation is significant at the 0,05 level (2-tailed).

Source: Authors' calculation

It can be concluded that there is a statistically significant correlation between the *number of meetings* and *international arrivals* at the 0.05 level, as well as a statistically significant correlation of the same variable with *the number of participants* at a significance level of 0.01. The second dependent variable, *international tourism receipts*, however, did not show a statistically significant relationship with any congress variables.

Therefore, the hypothesis H_2 : *Congress tourism affects tourism performances*, can only be partially confirmed.

The results of the correlation analysis between congress performances and macroeconomic indicators (*the gross domestic product (GDP)*, *exports of goods and services*, *the unemployment rate*), are shown in the Table 8.

Table 7. Descriptive statistics of congress performances and macroeconomic indicators

Descriptive Statistics	Mean	Std. Deviation	N
Gross Domestic Product	7,334.24	1,444.29	8
Exports of Goods and Services	51.47	5.53	8
Unemployment	12.26	3.08	8
Average total expenditure	16,517,317.88	9,472,615.72	8
Number of meetings	48.63	24.67	8
Number of participants	11,667.88	6,365.17	8

Source: Authors' calculation

Table 8. Correlation analysis of congress performances and macroeconomic indicators

Correlation	Expenditure	Number of meetings	Number of participants
GDP	-0.299	-0.668	-0.450
Exports of goods and services	0.160	-0.244	0.010
Unemployment	0.353	0.680	0.468

Source: Authors' calculations

5. Conclusion

The organization of congresses, business meetings, conferences and fairs generates higher economic income and attracts influential visitors (Šušić & Mojić, 2014). Until ten years ago, the Republic of Serbia lagged behind other countries in the development of congress tourism. Today, according to ICCA data, Republic of Serbia has a chance to take a leading position, given that it has been in the top 50 destinations for several years in a row, when it comes to congress tourism (ICCA, 2023). Congress tourists' expenditure is two to three times higher than the average traditional tourist's. Apart from economic benefits, congresses are an opportunity to present knowledge and expertise to foreign customers and clients, and for domestic products to find their way to foreign customers. The research results of the paper partially confirmed hypotheses H₁: There is a connection between congress tourism and hotel performances and H₂: Congress tourism affects tourist performances, while hypothesis H₃: Congress tourism has an impact on macroeconomic indicators of the Republic of Serbia was rejected. It was established that congress performances have a significant impact on hotel performances, especially when it comes to the *room occupancy* and *revenue per available room*. When it comes to tourism performances, congress tourism has an impact on the *international arrivals of foreign tourists*. Congress tourism, on the other hand, does not have a significant correlation with the macroeconomic indicators of the Republic of Serbia. The reason could be found in an incomplete coverage of data on congress performances collected by the Convention Bureau of Serbia, since it is very difficult to accurately assess the expenditure of participants. In addition, congress tourism constitutes only a small niche of tourism in the Republic of Serbia, which is why the lack of correlation between congress performances and macroeconomic indicators is expected.

It should be noted that the outbreak of the corona virus pandemic at the end of 2019 and the beginning of 2020 dealt a strong blow to the economy as a whole, leaving the worst consequences for the tourism and hotel sector (Knežević et al., 2022), and therefore, the meetings industry also experienced devastating decline (Aburumman, 2020; Rudnicki & Borodako, 2023), both in destinations around the world and in the Republic of Serbia, where the growth trend of congress activities has been interrupted.

For the future development of congress tourism in the Republic of Serbia, it is necessary to dedicate more attention to the development of attributes that influence the image of the destination, in order to develop an adequate strategy that would position Serbia on the international market and profile it as an attractive destination for congress tourism. Attributes: "physical environment (overall attractiveness of the destination), economic activity, business tourism facilities, accessibility, social facilities, destination reputation, visitor characteristics (convention tourism market characteristics), destination size, as well as the quality and selection of conference and hotel facilities" (Hankinson,

2005, p. 29), are of great importance for the future development of congress activities, as well as for the entire meetings industry of the Republic of Serbia. Thus, their further improvement would have a significant impact on the development of Serbia's image as a business tourism destination.

In a theoretical sense, the paper is an attempt to contribute to the academic literature on the importance of the meetings industry in the Republic of Serbia. In practical terms, the paper may have implications for the numerous stakeholders that have an interest in the development of the meetings industry, giving them the insight of the impact of this type of tourism on hotel and tourism performances. It is necessary to point out some limitations of the paper, which are primarily reflected in the fact that this research used secondary data provided by the Convention Bureau of Serbia. These data do not include all congresses held in the country, but only those organized by ICCA. Taking into account the fact that congresses are held in the Republic of Serbia, the organizer of which is not ICCA, it can be concluded that future research should be supplemented by the analysis of primary data collected via questionnaire. In this sense the economic contribution of the meetings industry to the development of the Republic of Serbia could be more accurately assessed. This analysis could be of great interest to stakeholders given that congress tourism, along with investments in transport infrastructure, accommodation facilities and packages that include additional tourist content and activities, can contribute to the creation of a competitive tourist product of the Republic of Serbia, as well as an increase in the number of foreign tourist clientele (Bučić et al., 2015).

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