

projections, carry out studies, monitor policy and defend their interests politically.'

### **SO HOW DO INTERNATIONAL ASSOCIATIONS PENETRATE NATIONAL MARKETS?**

In Russia, 'international associations are actually more active than national ones' says Maria Mordvinova. 'They are the ones that understand the power of representation and how to move issues forward because of their knowledge from their own countries of origin.' Likewise, as Li Lu points out, 'with more and more international companies coming to China, international associations are becoming stronger and stronger. They have evolved into independent social forces representing their members and some of them have become so strong that the government can simply not ignore their collective voices.' She adds: 'At the same time, international associations are making great efforts to strengthen their ties with government departments to promote the interest of their members.'

Brazil, however, appears to offer less scope to new market entrants. 'The existing network of associations covers the wide range of economic activities and interests in Brazil, and as such it is difficult to imagine that there is much scope or space for international associations to penetrate the market,' mentions Eduardo Ricardo. 'In addition, Brazil has a history of protecting its markets from international competition, a policy that is accentuated by Brazil's cultural resistance to globalisation. The global economic crisis has not done much to change this situation although the current inadequate supply of qualified workers and professionals in some sectors (i.e. medical doctors) is forcing the government to consider allowing foreign workers.'

### **WHAT ROLE FOR ASSOCIATIONS IN THE FUTURE?**

Prabha Nair believes that 'the association market is at the cusp of exciting times in India', while both Li Lu and Maria Mordvinova foresee the number of

international associations growing 'in both in number and influence' in their respective countries. In Brazil, potentially the most advanced but also the most indigenous of these four association markets, Eduardo Ricardo thinks that 'partnerships with national entities' may be the way for international associations to gain a stronger foothold.

So, the role of associations is likely to strengthen as these economies grow. For those associations with the resources, organisation and vision to seize the moment, the BRIC countries represent an opportunity for now and the future.

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# **THE EMERGING COUNTRIES IN THE ASSOCIATION WORLD**

Ever since the year 2000 we have been used to reading about the 'BRIC countries', referring to the four big emerging economies, i.e. Brazil, Russia, India and China. The acronym was coined by an economist and journalist. We should bear in mind that there is also reference to the 'emerging markets' in general and so when we use this new word, we should not necessarily be limited to those four countries.

Let's have a look at these countries in the context of our association world, and the meetings they organise.

Since the late '90s we hear more and more about international meetings being organised in the emerging markets. They get a bigger share of the world market than they used to have. We now learn about congresses held in destinations with which we were not so familiar up until say fifteen years ago; Hyderabad, Hangzhou, Fortaleza might be examples. But this did not happen overnight and we therefore need to look at some of the numbers in the emerging world.

We must remember however that, to begin with, a number of congresses were

already happening in these places, perhaps unknown to some of us. Brazil, just to mention the B in BRIC, has been an extremely active place for national and regional congresses for many years. ABEOC, its national association of PCOs and Event Organisers, was founded as long ago as 1977, and it currently counts close to 500 members. It is a very active association, which has launched its Quality Program this July; their membership continues to grow.

We also hear that 'two thirds of the growth in China will come from lower-tier cities'. I guess you put 2 and 2 together and it is easy to conclude that lesser-known cities will have a bigger share of our meetings market.

Back in the 1980s perhaps the very active marketing and the newly built facilities (conference centres and hotels) in Asia made many Europeans feel they were being faced with a new strong competition. And it was true. But everyone survived and maybe the internationalisation of the meetings industry just made 'the cake' larger and there was room for everyone. I believe we are now going through a similar period, but just with a change in the destinations.

It is interesting to see and hear about the new facilities that opened in recent years not only in these four countries, but also in many more emerging destinations worldwide. Do these cities (and countries) represent a threat to the more traditional



Fortaleza, Brazil

## ACCORDING TO THE FINANCIAL TIMES, WE LEARN THAT THE EMERGING COUNTRIES HAVE OUTPERFORMED DEVELOPED ONES IN 10 OUT OF THE 12 LAST YEARS

congress cities? I do not believe that this is the case. The good news is that many associations still follow a certain pattern, so they either rotate continents, or go to places they have not visited in a long time, but they keep going back to their traditional cities. In other words, Vienna or Paris will continue to be extremely popular meeting places, but we will see more and more conferences being held in a wider array of cities. In short, 'the cake' continues to grow.

In IAPCO we have one third of our membership coming from outside Europe and this trend has grown. We receive far more applications from non-European PCOs than ever.

The number of meetings held in Asia and Latin America, according to UAI and ICCA has

dramatically increased in the past ten years. According to a recent article in the Financial Times, we learn that the emerging countries have outperformed developed ones in 10 out of the 12 last years. Food for thought, isn't it? Despite the occasional unrest that we can see sporadically in places such as Turkey or Brazil, there is a clear indication that these countries are moving forward. The second element is that their middle classes are also growing at fast speed. This only indicates the arrival of more professionals to the different fields and the need for the population within those countries to have better access to healthcare, to name just one - important - subject.

All of the above should sound like music to the ears of the associations. It can only be

good news for them when we know there are more people with access to healthcare, more people who need to hire the expertise of professionals (lawyers, architects, etc.). In short, when the demand increases, everyone benefits.

At the end of the day associations are formed by individuals, and we all want the world we live in to be a better one.

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*This article was provided by the International Association of Professional Congress Organisers, author Gonzalo Perez Constanzó, IAPCO President, and Managing Director, Kenes Latin America, Chile. IAPCO represents today 117 professional organisers, meeting planners and managers of international and national congresses, conventions and special events from 42 countries. [info@iapco.org](mailto:info@iapco.org) / [www.iapco.org](http://www.iapco.org)*

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