

Dubai room boom will cater for the middle-market and boost MICE and special interest numbers

Frédéric Bardin's career in tourism spans some 30 years, during which he lived and worked in Paris and Lille (France), the Seychelles and Dubai. His experience, mainly gained in market-leading, multinational companies, encompasses tour operating, postings in three different Destination Management Companies, the operation of incentive travel programmes, as well as IT and marketing. His jobs and holidays enabled him to visit some 50 countries on five continents.

As marketing manager for the Emirates Group's leisure division, which comprises the destination management company (DMC) Arabian Adventures, the professional conference organiser (PCO) Congress Solutions Dubai, the tour operator Emirates Holidays, and Al Maha Desert Resort & Spa, Bardin participated in the development of Dubai as a leisure, meetings and incentives destination since 1990. He took over the general management of Arabian Adventures in 1999 and is also responsible for the newly-created Congress Solutions Dubai.

Unprecedented expansion of Dubai's tourism and MICE infrastructure has prompted further development of Arabian Adventures. Bardin and the role of its new Congress Solutions division as Dubai prepares to become one of the world's leading MICE destinations.

How critical is the room shortage in Dubai?

At the moment we have a bit of a crunch but there is stock coming up. We have some openings in 2006, more in 2007 and lots in 2008. Today we have about 35,000 rooms. This will be increased by nearly 2000 next year but by 2008 we will have 45,000-50,000 rooms. And hopefully by 2012 we will have 85,000 rooms.

What about low to medium range accommodation, is that in the mix?

Yes. We need to see a lot more of the chains here with three and four star hotels and serviced apartments. We may get six million visitors a year but they are not all five star customers. We get a lot of doctors and medical workers from Europe and India and the GCC and they would prefer lower cost accommodation, they just don't like spending a lot of money on a room. There are also a lot of patients who attend medical conferences to stay in touch with the latest developments. And of course there are a lot of people who simply cannot afford five star rates. We have been told that 50 per cent of the new accommodation will be budget. The beaches and city will always have premium accommodation available. It is the new attractions like Dubailand where we need access to budget accommodation.

What impact has the room shortage had on Dubai's MICE growth?



FREDERIC BARDIN IS VICE PRESIDENT OF ARABIAN ADVENTURES AND CONGRESS SOLUTIONS DUBAI.

Last year business growth was around nine per cent; this year it will increase further but we won't have the figures until the New Year.

We have had to decline business in some instances but for the most part we have accommodated requests. We managed to find space or switch meetings into other parts of the year where we had space. This strategy is giving quite high annual average room occupancy. Beach hotels recorded 86 per cent room occupancy in 2004 and the overall occupancy of Dubai was 81 per cent for the year. It gets quite hard to do better than that. But with new rooms coming online we are confidently going to the market for the bigger

incentive groups and large conferences in 2007-2008. We have had confirmation of some very large movements taking place in Dubai through to 2010 and this is one of the main reasons we launched Congress Solutions Dubai, which is our PCO. This will work in tandem with Arabian Adventures but it will be manned by professionals from the PCO world. We acknowledge we are not PCO people but DMC people consequently we have done our benchmarking and picked a professional team to run Congress Solutions. Our mutual aim is to sell Dubai first.

A lot of new MICE infrastructure has been developed in Asia-Pacific in the past couple of years. Is that where you see most competition?

Dubai is a global destination. It is perfectly positioned to cap-

ture business from Europe, the US and Asia. We have over 105 airlines now flying to Dubai every week so it's very difficult to beat. Hong Kong, which is considered a hub, for example, has around 50-60 airlines flying in every week. We can get 40,000 to 45,000 people in to Dubai within three days for mega events.

What is the current mix of visitors?

It is very difficult to say because we do not have a facility at the airport to collate traffic source markets. There are no disembarkation cards for example because we want to have a swift immigration process. Most of our stats come from the accommodation sector and we have a good idea of where the business is coming from. We are trying to get a system in place that will provide accurate statistics. Last year Dubai recorded 5.4 million visitor arrivals. Of this Australia produced 84,000 and the Oceania region in general including New Zealand produced 104,000. Australian growth was an increase of 24 per cent compared with 2003. For the Oceania region as a whole it was 32 per cent.

And the best performing markets?

The GCC is number one followed by the UK and then India.

Why was Congress Solutions Dubai created?

Arabian Adventures has expanded considerably in recent years and provides services for leisure travel groups and incentives. Services include meet and greet, transfers and transportation, visa handling, hotel accommodation, organising meetings, conferences and exhibitions and special incentive itineraries. We operate our own purpose-built venues in the desert catering for groups from 10-5000. We have handled groups such as IBM (3,700) NCR worldwide meeting for 2700, the launch of the Jaguar s-type car to over 1500 dealers and 3700 guests for the Dubai World Cup.

Congress Solutions Dubai is the logical step in providing expertise in catering to global MICE especially for the really major meetings. Congress Solutions Dubai works with Dubai Convention Bureau, Dubai's Tourism and Commerce Marketing and the Dubai Convention Centre, providing professional guidance at the most senior level.

What progress has been made on niche sectors like medical and cruise MICE?

Medical tourism will really come into its own when Healthcare City is opened in 2006. This is a complex of hospitals, clinics, medical schools and research facilities and is destined to become a regional centre for healthcare excellence. Cruise tourism is also progressing. We have a unit in Arabian Adventures dedicated to fulfilling the requirements of cruise owners and operators. We offer innovative cruise planning and advice, not for just the UAE



Arabian Adventures: Purpose-built desert venue.

but the entire region including Bahrain, Kuwait, Qatar, Yemen, Oman and Iran. We are talking to some of the smaller cruise companies for ships in the 600-750 berth categories to be based in Dubai during the winter. We still have some work to do but we will get the right product mix eventually. In the meantime we are getting more cruise companies using Dubai as a port of call and this is expected to increase in coming years.

And special events?

The Dubai World Cup continues to go from strength to strength attracting horses from around the world. It is the richest horse race in the world. We provide specific packages for the DWC and also have begun producing specific programs for incentive groups. Here they get to meet the jockeys and owners at private functions. It may be a private stable tour with a jockey or owner. We also create specific pre and post itineraries. The Dubai Sevens is another relatively new event that continues to strengthen each year. I also expect sailing events to come to the fore with the opening of The World and the Palms. The Air Show in November and the annual Shopping Festival in January and February have been very successful in attracting visitors to Dubai.

Dubai is very proactive on famils for MICE operators. Will this continue?

Yes. We believe very strongly in first person recommendation. Dubai is also changing and expanding so very rapidly that it is essential to have frequent inspections and updates to ensure people representing us in the front line are aware of all the developments and benefits.

Dubai spends big dollars to capture MICE crown

Dubai tourism project development is setting a hectic pace. Billions of dollars are being spent to position Dubai as the world's number one attraction. Projects underway include:

The Palms— Trilogly of man-made islands Jumeriah, Jebel Ali and Deira is set to increase Dubai's shoreline by about 180 kms. Visible from the moon, each unique island will offer a mix of freehold residential properties, hotels resorts, and theme parks.

Dubai International Airport expansion — A dedicated Emirates Airline terminal and two concourses, due for completion in 2006, will increase the airport's capacity to 70 million passengers a year.

Dubai Healthcare City — A Sprawling complex of hospitals, clinics, medical schools and research facilities, destined to become a regional centre for healthcare excellence. First phase is due for completion in 2006.

Dubailand —The region's largest theme park concept will feature six themed worlds including Dubai Sports City, Eco-Tourism World and Retail & Entertainment World which will total more than 45 tourism, leisure and entertainment projects.

Burj Dubai — The world's tallest tower, together with the world's largest shopping mall, will form the heart of a community of residential, commercial, hotel and entertainment choices. The project includes the Old Town, a magical recreation of yesterday's Arabia.