

Alternative Tourism Opportunities: Analysis of the Potential of Business Tourism in Azerbaijan

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ABSTRACT

In an increasingly globalized world, the tourism sector plays a strategic role in national economic development, while alternative forms of tourism have gained growing prominence beyond conventional leisure travel. Among these, business tourism stands out as a significant segment offering destinations a competitive advantage through its high revenue potential and positive contribution to destination image. The successful hosting of large-scale international events in Azerbaijan — including COP29, Formula 1, and the CIS Games — demonstrates the country's considerable business tourism potential. Azerbaijan's strategic position at the East–West transport corridor intersection, developing MICE infrastructure, and accumulated event experience establish it as an emerging regional destination and form the primary focus of this study. The limited number of comprehensive, strategy-oriented studies addressing Azerbaijan's business tourism potential constitutes the principal motivation for this research. This study examines business tourism through the dimensions of economic and environmental sustainability and destination competitiveness — encompassing infrastructure, human capital, and event experience — employing an integrated SWOT–TOWS framework that moves beyond situational description to enable actionable strategy generation, thereby constituting the study's original contribution. Within a qualitative research design, semi-structured interviews were conducted with 12 purposively selected tourism academics and public sector representatives until theoretical saturation was achieved. The findings reveal that Azerbaijan possesses notable strengths — strategic location, modern MICE infrastructure, and international event experience — while structural weaknesses persist in regional infrastructure imbalances, high transportation costs, and human capital shortages. Opportunities presented by the green economy, hybrid event models, and expanding Asian and Gulf markets reinforce the country's potential as a regional MICE hub. The SWOT–TOWS analysis yielded 16 strategic directions, with green event promotion, regional infrastructure development, and human capital enhancement identified as priorities. The study contributes to emerging destination literature while providing policymakers and industry stakeholders with actionable strategic recommendations.

Anahtar Kelimeler: Alternative Tourism, Business Tourism, Azerbaijan

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1 Introduction

Business tourism is fundamentally regarded as a "complex and multidimensional" phenomenon. This segment manifests in various forms, such as general business travel, meetings, exhibitions, and incentive travel, and is primarily shaped by the participation of highly qualified professionals who travel frequently on an international scale (Liu et al., 2024). Essentially aimed at conducting commercial and public activities, business tourism is concentrated in economically and industrially developed urban centers and industrial zones. From a historical perspective—in the form of international travel, expenditure, and temporary accommodation—business tourism possesses a heritage as antiquated as international trade itself (Min et al., 2016).

In the contemporary era, business tourism is recognized as a cornerstone of the international tourism economy; it bolsters the brand value of destinations, mitigates seasonality in tourism, and supports the short-term vacation market (Ho and McKercher, 2014). Furthermore, although business travelers tend to have shorter lengths of stay compared to leisure tourists, they generate significant economic added value, as their daily expenditures are at least twice as high (Haven-Tang et al., 2007). The scientific literature consistently emphasizes the economic, social, and cultural contributions of business tourism, noting that this segment enhances the diversity and sustainability of the tourism industry (Carvalho et al., 2018).

In recent years, there has been a marked increase in both national and international business tourism flows, accounting for up to one-fourth of total tourism movements in certain destinations (Rogerson, 2015). According to 2024 data from the World Travel and Tourism Council (WTTC), global business tourism revenues have risen to approximately 1.5 trillion USD, surpassing pre-pandemic levels by 6%. The proliferation of remote work and the surge in virtual meetings during the pandemic influenced business travel more adversely compared to leisure tourism (Ormerod et al., 2025); as of 2023, while leisure tourism was only 2.9% below 2019 levels, business tourism lagged by 5.4%. However, with the renewed emphasis on the significance of face-to-face interaction in the corporate world, a robust recovery in business travel was observed in 2024, and the sector reached its historically highest revenue level (WTTC Research Hub, 2024).

This study aims to reveal the existing potential of business tourism, a sub-sector of the tourism industry, in the context of Azerbaijan. Emerging as a regional destination due to its strategic location and developing MICE capacity, Azerbaijan is comprehensively analyzed in terms of its strengths and weaknesses in business tourism, as well as the opportunities and threats it faces. In addition, considering the countrys geographical position, economic structure, and infrastructure capacity, sustainable and strategy-oriented approaches for the development of business tourism are evaluated. Despite the growing importance of alternative forms of tourism, particularly business tourism, the existing literature remains insufficient in providing comprehensive and strategy-oriented analyses, with most studies largely confined to situational assessments and lacking a strong focus on strategy development. In this context, the present study seeks to address this gap by not only identifying the structural dynamics of business tourism in Azerbaijan but also examining how these dynamics can be translated into effective development strategies. Accordingly, the widely used SWOT analysis is integrated with the TOWS matrix, enabling the study to move beyond descriptive assessment toward a prescriptive, strategy-oriented analytical framework. This approach constitutes the main theoretical contribution of the study by bridging the gap between situational analysis and strategic planning within the business tourism literature.

2 Definition of Business Tourism

Business tourism refers to a form of tourism in which individuals travel outside their usual workplace and place of residence for purposes related to their profession or business (Swarbrooke and Horner, 2001). Such travel is undertaken primarily to participate in meetings, events, or activities of a professional nature. The principal components of business tourism are commonly identified as meetings, incentives, conventions, and exhibitions—collectively known as MICE tourism (Camilleri, 2018). Within this context, the term "meetings industry" underscores the structured and economically significant nature of these activities, highlighting their contribution to the broader tourism and service sectors. Moreover, business tourism is often integrated with other forms of tourism—such as cultural, leisure, or wellness tourism—within the same travel experience, thus enhancing its multidimensional character (United Nations World Tourism Organization, 2008).

Despite the increasingly complex challenges faced by companies due to technological innovations, competitive conditions, and evolving work models brought about by globalization in the business world (Yeşil, 2010), the frequency of business travel continues to rise (Caligiuri, 2006; Özgen and Yalçın, 2018). As a result, business tourism has become a significant market segment for tourism enterprises. In this context, there has been a relative increase in recent years in travel undertaken for professional purposes such as meetings, trade fairs, promotional visits, and conferences within the tourism sector (Ayaz and Esen, 2025). In business tourism, primary activities typically include work-related engagements such as consultancy, inspections, and meetings, while secondary activities involve dining out, relaxation, shopping, sightseeing, and social leisure interactions (Lenon, 2003).

Business tourism has become an indispensable component of the modern corporate landscape. Every day, tens of millions of individuals around the world embark on journeys—both short and long, near and far—for professional purposes. Each year, millions of people engage in business travel, contributing to the formation of a robust business travel sector, which generates approximately 1.5 trillion USD annually for the global economy (Global Business Travel Association, 2024). Organising such high-stakes journeys requires meticulous attention to a range of specific logistical elements, including identifying the most convenient connecting flights, securing optimal hotel accommodations, purchasing access to trade fairs, structuring detailed itineraries, and arranging leisure components for rest and recuperation (Nistoreanu and Stoian, 2017). At this stage, the resources and professionalism of the organising agency play a critical role in ensuring a seamless travel experience. One of the distinguishing characteristics of business tourism, as opposed to other forms of tourism, is its seasonal concentration. Business travel is predominantly scheduled between February and May and again from September to

November, periods aligned with the global calendar of trade fairs, conferences, and other professional gatherings. These months are typically marked by heightened activity in the business world and therefore demand strategic, advance planning—often months ahead of the actual travel date (European Union, 2025).

The traditional MICE framework—comprising Meetings, Incentives, Conventions, and Exhibitions—has long shaped the understanding of business tourism. However, the diversification of business events has challenged the rigidity of this classification, leading to the broader adoption of the "meetings industry" concept. This shift highlights the economic impact of group-based business gatherings within host regions. Business tourism, characterized by travelers motivated primarily by professional activities, differs markedly from mass tourism in terms of target demographics, motivations, and constraints (Cieslikowski, 2015). Typically concentrated in urban and industrial hubs, business tourism requires a distinct management approach that emphasizes collaborative governance between private enterprises,

local authorities, and international bodies. Competitive value offerings and high visitor satisfaction levels are crucial for generating superior economic returns. Moreover, local destinations increasingly pursue innovative strategies to support sustainable growth in this sector (Kumar and Hussain, 2014).

3 Historical Development of Business Tourism

Although the foundations of modern tourism can be traced back to the Grand Tour period, its contemporary form is generally associated with the mid-19th century, particularly with the package tour organized by Thomas Cook in 1841 (Acar, 2020). Throughout history, people have continuously traveled for various purposes, with the earliest journeys primarily driven by trade and religious motivations. Commercial travel is believed to have begun around 4000 B.C., and the first travelers are considered to have been merchants and pilgrims, whose journeys played a significant role in the development of tourism (Yıldız, 2011; Maharramova, 2019).

Business travel, in particular, has long served as a fundamental driver of economic, cultural, and social interaction. Ancient texts and archaeological findings indicate that trade facilitated not only the exchange of goods but also the transfer of knowledge, culture, and ideas. The establishment of road and accommodation infrastructure in the ancient Middle East, and the systematic organization of commercial travel under the Roman Empire — where Roman roads connected the East and the West — paved the way for the institutionalization of business travel (Hayes, 2022). This historical process ultimately laid the foundations for modern business tourism, represented today by the MICE sector: Meetings, Incentives, Conferences/Congresses, and Exhibitions/Events (Tourism Institute, 2023).

In its modern form, business tourism underwent significant transformation beginning in the 1990s. The establishment of the European Union in 1993 created a free trade zone that facilitated cross-border travel, while the adoption of the Euro in 1999 streamlined financial transactions. The 2000s saw international travel become increasingly accessible through the rise of low-cost airlines and online booking platforms, though virtual meetings introduced during this period could not replace face-to-face interaction (Northstar Travel Group, 2025). The 2010s brought the sharing economy and growing interest in sustainable travel, while the COVID-19 pandemic of the 2020s accelerated the adoption of hybrid formats and contactless technologies, giving rise to trends such as "bleisure" travel (Dedman, 2018). As of 2025, artificial intelligence, data analytics, and NDC technology continue to reshape the efficiency and personalization of business tourism experiences (Chung, 2025), reinforcing its strategic importance for destinations seeking competitive positioning in the global arena.

4 Types of Business Tourism

Business tourism is a specialized form of tourism characterized by individuals traveling away from their usual place of residence for work purposes and utilizing services such as accommodation and transportation (Gonzalez and Bello, 2002). The business tourism market is examined in different categories based on the nature of travel and the service expectations of business travelers; these categories can be classified as meeting tourism, incentive tourism, conference tourism and exhibition tourism (Demirer and Hatırnaz, 2023).

Meeting tourism, according to the United Nations World Tourism Organization, refers to travel undertaken outside an individuals usual environment for at least 24 hours to fulfil specific meeting-related purposes. As a core segment of the tourism industry, it contributes significantly to economic

development through income generation, employment, and investment (Association of Caribbean States, 2017). This form of tourism involves face-to-face gatherings organized by academic, socio-professional, political, and institutional actors, and is closely linked to global networks, typically taking place in destinations with strong tourism appeal. Due to its demand for advanced infrastructure and high service standards, it is mainly concentrated in major international metropolitan areas (Christofle, 2023). Given participants' high expenditure levels and preference for premium services, meeting tourism is considered a high value-added segment of the industry and also plays a role in strengthening international relations (Ministry of Tourism, Government of India, 2022). Beyond being a travel activity, it functions as a mechanism for knowledge exchange, economic value creation, and local economic stimulation. In addition, such events can generate long-term impacts by enhancing the intellectual capital of host destinations and supporting future foreign direct investment opportunities (Jago et al., 2010). What distinguishes meeting tourism from other segments is not only its economic scale but also the profile of its participants (Dwyer, 2002). Comprising academics, policymakers, and senior professionals, this group strengthens the intellectual capacity of destinations and extends their visibility beyond the event period. As a result, each successfully hosted meeting contributes to destination reputation building and functions as a form of soft power that supports future events and investment flows (Rogers, 2013).

Incentive tourism is widely regarded as a strategic management tool aimed at enhancing employee performance, organizational commitment, and corporate efficiency. In the literature, it is not only seen as a reward mechanism for individual achievements but also as a practice that strengthens motivation, job satisfaction, and team cohesion (Fletcher, 2023). Such programs generate multidimensional benefits by increasing employee motivation and sense of belonging while also contributing to productivity, loyalty, and a sustainable performance culture. They further support local economies through demand in accommodation, transport, and event-related services, thereby contributing to employment generation (Incentive Research Foundation, 2021). An incentive trip is a form of business travel designed to motivate employees or business partners, where participants do not take part in decision-making but follow a pre-structured program defined by the organization (Sood et al., 2021). Although not widely studied as a separate segment, incentive tourism is distinguished from other MICE components by its stronger focus on entertainment, gastronomy, and social interaction (Swart and Tiwari, 2023). These programs enhance team spirit, motivation, and organizational solidarity by bringing together high-performing employees (Severt and Breiter, 2010). When effectively designed, they also produce measurable outcomes such as increased productivity, higher sales, improved customer loyalty, and reduced employee turnover, making incentive tourism a strategic tool for long-term competitive advantage (Site International Foundation, 2025). Unlike other MICE segments, incentive tourism places the destination itself at the center of the experience, where natural attractions, cultural assets, and hospitality become key experiential elements. As a result, participant satisfaction becomes closely linked to destination quality, turning corporate travelers into long-term advocates of the destination (Potgieter et al., 2016).

Congress tourism refers to travel and related activities undertaken by individuals outside their usual living and working environments for the purpose of exchanging knowledge in professional or scientific fields (Kuşadası Ticaret Odası, 2014). Despite global economic fluctuations, this form of tourism has gained increasing importance within the international tourism industry, and as a sub-segment of business tourism, it holds significant economic potential due to high participant volumes and intensive financial resource utilization (Ficarelli et al., 2013). By encompassing multiple service sectors such as accommodation, transportation, food and beverage, entertainment, and retail, congress tourism generates not only substantial economic benefits but also important social impacts (Çatalkaya, 2019).

Core events within congress tourism include congresses, conferences, seminars, symposiums, and scientific or professional meetings, which are typically organized outside peak tourist seasons, thereby contributing to year-round tourism activity in destinations (Susic and Mojic, 2014). These events bring together individuals from diverse cultural backgrounds, facilitating knowledge and experience exchange, strengthening cultural interaction, and fostering international cooperation. At the same time, increased demand for accommodation and related services from participants and accompanying persons directly contributes to local economies, reinforcing the strategic importance of congress tourism for destination development (Akova and Baynazoğlu, 2012). In this context, congress tourism, through its year-round distribution and knowledge-intensive participant profile, transforms destinations from mere places of visitation into hubs of intellectual interaction and knowledge production, thereby contributing to the formation of a strong and enduring image in academic, diplomatic, and investment circles (Chon and Weber, 2016).

Exhibition tourism within business tourism includes fairs, exhibitions, and trade shows that function as key communication platforms for promoting organizations and products, building trust, and providing information to buyers within a limited time period (Tumati et al., 2022). It refers to the structured organization of product and service showcases, along with promotion- and information-oriented events conducted by professional institutions (Blythe, 2002). These events contribute to national trade systems by enabling direct interaction between producers and buyers, creating sales opportunities for firms while facilitating the distribution of products in domestic and international markets. They also support foreign capital inflows and foster business partnerships at national and international levels (Acartürk, 2012). Beyond economic contributions, exhibitions generate regional impacts by increasing mobility and stimulating demand for accommodation, food and beverage, transportation, and related tourism services (Gül et al., 2017). They also promote socio-cultural exchange by bringing together professionals from diverse backgrounds, enhancing knowledge sharing and intercultural understanding (Getz and Page, 2016). Recently, the environmental dimension of exhibition tourism has gained importance due to high resource consumption in large-scale events. “Green fairs,” emphasizing waste reduction, energy efficiency, and local resource use, have emerged as a sustainability standard (Mair and Jago, 2010). At the same time, technologies such as augmented reality, mobile applications, and data analytics are transforming exhibitions into more interactive and efficient platforms (Lee and Lee, 2020). Overall, exhibition tourism functions as a marketplace, networking platform, and showcase of economic capacity. Hosting international exhibitions reflects a destinations logistical capability and economic openness, while digitalization and sustainability practices enhance competitiveness in the global events market (Wong, 2024).

5 Azerbaijan's Business Tourism Potential

Azerbaijan is a country with a high tourism potential, characterized by the Caucasus Mountains, vast plains, rivers, lakes, an 825-kilometer coastline along the Caspian Sea, rich mineral water resources, and a remarkable historical heritage. The presence of 9 out of the world's 11 climate types within its territory further enhances the diversity of tourism activities, enabling a wide range of year-round tourism opportunities. In addition to these natural and geographical advantages, the Republic of Azerbaijan has strengthened its tourism sector through modern infrastructure and continuous institutional development (Seferov and Hesenov, 2006). In recent years, significant steps have been taken to promote tourism development, including the improvement of the regulatory and legal framework and the implementation of large-scale infrastructure projects. Moreover, within the framework of the “Azerbaijan 2030: National Priorities for Socio-Economic Development,” tourism has been identified as a key priority sector,

reflecting the countrys strategic commitment to enhancing its competitiveness and sustainability in the global tourism market (Hasanova, 2025).

It should be particularly emphasized that Azerbaijan's favorable geopolitical position and its location at the intersection of East-West transport corridors (Hasanov, 2014; Mammadzada et al., 2026) have transformed the country into a significant regional hub for conferences and business (Rizvanli, 2016). In the modern era, the business tourism sector acts as a catalyst for the development of the non-oil sector (Mammadov, 2025), distinguished by its high profitability levels and reduced sensitivity to seasonality factors (Akan, 2022). Global-standard infrastructure facilities such as the Baku Congress Center and the Heydar Aliyev Center, alongside modern conference venues and international hotel brands, have established a fundamental basis for the realization of this potential (Japan International Cooperation Agency, 2017). In recent years, large-scale international forums, exhibitions, and summits held in the country have further strengthened Azerbaijan's international image as a "business destination." Global-scale events such as the XII Global Baku Forum, the VI World Forum on Intercultural Dialogue, the 29th session of the Conference of the Parties to the UN Framework Convention on Climate Change (COP29) (Sadigli, 2024), and the thirteenth session of the World Urban Forum serve as prominent examples in this direction. The aforementioned infrastructure and international events constitute the primary factors accelerating the growth momentum of the countrys business tourism sector (R. Jafarli, 2025).

Table 1: Azerbaijan Tourism Statistics (2019-2025)

Years	Number of hotels	Number of bed places	Total number of tourists (million)	Tourism revenue (billion, AZN)	Number of business travelers	Expenditure per capita (AZN)	Property on of business tourism in total tourism (%)
2019	642	49 980	2 863 500	2 971, 4	850 507	1037,7	29,7
2020	655	50 687	519 400	414,7	177 500	798,6	34,2
2021	685	53 049	461 700	492,6	196 700	1066,9	42,6
2022	727	56 562	1 058 100	1 340,2	400 500	1266,6	37,9
2023	758	59 407	1 402 600	2 439,2	156 600	1739,1	11,2
2024	813	67 376	1 855 100	3 403,5	261 000	1834,7	14,1
2025	837	69 331	1 804 754	3 258,0	396 935	1805,3	22,0

Source: State Statistical Committee of the Republic of Azerbaijan, 2026

An analysis of Azerbaijan's tourism statistics presented in Table 1 reveals a notable correlation between the steady increase in accommodation supply and tourism revenues, with a particularly significant evolution in the business tourism segment. The share of business tourism, which stood at approximately 30% in 2019, reached a peak of 42.6% in 2021 during the global pandemic. This trend demonstrates that even in times of crisis, corporate travel and sectoral mobility needs possess a far more resilient demand structure compared to mass leisure tourism. This situation indicates that business tourism possesses a more resilient structure compared to mass tourism during periods of economic crisis and uncertainty. In particular, despite the sharp decline in the total number of tourists during the 2020–2021 period, the increase in the share of business-related travel within total tourism demonstrates the relatively lower demand elasticity of business tourism. Although this share experienced a contraction, falling to 11.2% in 2023, the recovery of business tourist numbers to 396,935 by 2025—representing a 22% share of total tourism—indicates a strong recovery trend and underscores the countrys enduring potential as a regional business hub. From the perspective of economic efficiency, the rise in per capita expenditure from 1,037.7 AZN in 2019 to 1,805.3 AZN in 2025 signifies an increase in the value-added nature of

the tourism sector. The fact that business travelers generally belong to higher income brackets and travel on corporate budgets serves as a primary driver of this expenditure growth. Furthermore, the expansion of the hospitality sector to 837 hotels and a bed capacity of 69,331 by 2025 proves that Azerbaijan has established the high-standard infrastructure required for business tourism, achieving progress not only in quantitative terms but also in qualitative excellence.

When evaluated within a regional comparative framework, Azerbaijan's business tourism development assumes a clearer analytical profile. According to ICCAs 2024 Country and City Rankings, Baku ranks 323rd globally with 6 recorded international association meetings, while Azerbaijan holds the 21st position in the Asia-Pacific country rankings. These figures indicate that the country remains behind the world's leading MICE destinations in terms of formal meeting activity. Nevertheless, a discernible competitive dynamic at the regional level warrants closer examination. Turkey represents a markedly more advanced and geographically diversified MICE ecosystem in comparison to Azerbaijan. Ranked 19th in Europe, Turkey demonstrates not only Istanbul's prominence — placed 20th globally with 86 meetings — but also the presence of additional cities such as Antalya, Izmir, Ankara, and Muğla in international rankings. This multi-nodal structure reflects a deeply institutionalized MICE capacity that extends well beyond a single metropolitan center, positioning Turkey as one of the leading MICE destinations not only at the regional but also at the global level. Georgia presents a more directly comparable competitive landscape. Ranked 34th in Europe, the country is represented in the international MICE network through both Tbilisi (148th globally, 16 meetings) and Batumi (423rd globally), indicating a partial geographic distribution of business tourism activity beyond the capital. In this respect, Azerbaijan's current standing places it in a broadly comparable, if not yet equivalent, competitive position relative to Georgia. Armenia, by contrast, ranks 24th in the Asia-Pacific country rankings, with Yerevan holding 367th place globally on the basis of 5 meetings — figures that position Armenia behind Azerbaijan in terms of measurable MICE performance. In this context, the fact that Azerbaijan is represented in ICCA rankings exclusively through Baku underscores the pronounced concentration of business tourism activity within a single urban center, and points to the limited institutional diversification of the country's MICE sector beyond its capital. However, Azerbaijan's capacity to host large-scale international events — most notably COP29, which convened nearly 200 countries in Baku in 2024 — suggests that the country's actual business tourism potential may extend considerably beyond what its current ICCA standing reflects. Strategic investment in ICCA membership engagement, convention bureau development, and international association bidding, coupled with the gradual integration of secondary cities into the national MICE ecosystem, could enable Azerbaijan to surpass Georgia's current level of geographic distribution and advance toward a more competitive regional positioning relative to Turkey.

6 Literature Review

Within the scope of this study, the literature review has been structured to encompass both national and international studies on business and congress tourism. The primary objective of this approach is to address the theoretical and applied dimensions of the field from a holistic perspective.

According to the findings of Gasimli (2017), congress tourism is identified as a rapidly growing segment of the global tourism industry that generates high added value. The study reveals that this form of tourism reduces seasonality, supports sustainable development, and creates higher economic returns compared to other tourism types due to the strong purchasing power of its participants. In addition, congress tourism contributes to socio-cultural integration by facilitating interaction among different cultures. The results further indicate that MICE tourism, with its predictable demand and year-round

activity, represents a highly promising sector. In the case of Azerbaijan, the existing tourism and economic potential create favorable conditions for developing this sector and strengthening its position in the international MICE market.

Şengel (2018) examines the impacts of congress and exhibition organizations on the tourism sector through the case of EMITT (Eastern Mediterranean International Tourism and Travel Fair). The study aims to identify the potential effects of congress and exhibition events on tourism development. Using a qualitative research design, data were collected through interviews with 19 domestic and 10 international experts in the field of congress tourism, and the data were analyzed using descriptive analysis techniques. The findings indicate that the EMITT fair contributes positively to destination promotion as well as to the visibility of tourism enterprises. Furthermore, the study concludes that the fair plays a significant role in the development of Turkish tourism and that congress and exhibition tourism contributes meaningfully to sectoral growth.

Abbasova (2020) examines the impact of technological advancements associated with globalization on the development of congress tourism. The study aims to evaluate the congress tourism potential of Baku as an international destination, identify existing challenges, and propose possible solutions. Using a qualitative research design, semi-structured interviews were conducted with 27 participants in Baku between February and April 2020. The findings indicate that congress tourism contributes positively to the national economy and supports the branding of Azerbaijan as a MICE destination. However, limitations such as insufficient congress centers, capacity constraints, and the concentration of facilities within hotels were identified as key challenges. The study also highlights ongoing improvements in technological infrastructure and Azerbaijan's increasing role in hosting international congresses.

Huseynzade (2020) evaluates the impacts of the rapidly expanding global mega-events sector on Azerbaijan's economy, social welfare, and political image. Conducting a "Cost-Benefit" analysis of high-investment strategies, the author emphasizes the necessity of distinguishing between short-term and long-term economic returns. A key practical finding suggests that Azerbaijan should maximize efficiency by repeatedly hosting mega-events for which it already possesses the requisite infrastructure. Conversely, the study cautions against undertaking entirely new mega-projects that demand substantial financial resources and novel infrastructure due to significant economic risks. Ultimately, the research serves as a strategic roadmap for relevant government agencies and policymakers.

Zhylenko et al. (2022) argue that the tourism sector, particularly through MICE (Meetings, Incentives, Conferences, Exhibitions) activities, exerts a significant influence on countries' macroeconomic indicators. The study examines data from 10 leading countries covering the period 2017–2020, using correlation-regression analysis and analysis of variance methods. The results indicate a strong and positive relationship between the number of MICE events and both gross domestic product (GDP) and foreign direct investment (FDI). Accordingly, it is concluded that the development of business tourism represents a key determinant in enhancing economic growth performance and strengthening countries' capacity to attract foreign capital.

Litvinova-Kulikova et al. (2023) emphasizes that the COVID-19 pandemic has posed a significant challenge to the tourism sector, with MICE tourism being among the most severely affected areas due to its reliance on large-scale business events. The study aims to examine the adaptation levels of MICE event participants and organizers to current market conditions, as well as their expectations regarding the future development of the industry. A survey was conducted to assess participants' attitudes toward virtual and face-to-face events. The findings indicate that fully virtual formats are not considered a complete substitute for traditional in-person events, as the majority of respondents intend to continue

participating in offline events. However, younger participants demonstrate a stronger preference for online formats. Overall, the study concludes that the most promising model for the future of MICE tourism is a hybrid format that integrates both virtual and physical event components.

Mustafayev (2023) examines the effects of globalization and technological advancements on congress tourism, aiming to evaluate Bakus potential in this field. The findings indicate that improved transportation accessibility has contributed positively to the development of congress tourism; however, Bakus high cost as a destination and insufficient congress infrastructure limit its competitiveness. Additionally, the lack of adequate congress centers and large-capacity hotels is identified as a major constraint. The study also highlights geopolitical conditions and the countrys distance from Europe as other limiting factors. Consequently, it is suggested that tourism potential should be utilized more effectively, service packages should be updated, and strategic management mechanisms should be developed.

Martín-Rojo & Gaspar-González (2024) highlight that MICE (Meetings, Incentives, Conferences, Exhibitions) tourism has experienced substantial growth in recent years and has been significantly affected by digital transformation and social changes, particularly in the context of the COVID-19 pandemic. The study also analyzes the impacts of the pandemic on MICE management through surveys conducted with managers of conference centers, exhibition venues, and convention bureaus in Spain. The findings indicate notable thematic shifts in MICE tourism management across the pre-pandemic, pandemic, and post-pandemic periods. Accordingly, the study emphasizes that enhancing the competitiveness of MICE tourism requires further attention to digitalization, innovation, social media utilization, and destination analysis as emerging research and policy areas.

Huseyn (2024) aims to examine the role of international and national events held in Azerbaijan in promoting tourism during the off-season period. The study particularly analyzes the impact of COP29 on the tourism sector. The findings reveal that COP29, held in Baku in November 2024, made a significant contribution to off-season tourism by attracting approximately 76,000 participants. A large proportion of attendees were foreign visitors, which expanded the geographical diversity of inbound tourists to 195 countries. The study also emphasizes the importance of organizing large-scale international events for ensuring sustainable tourism development in Azerbaijan.

Abbasova (2025) examines the impact of the COP29 conference on Azerbaijan's tourism sector, with a particular focus on its contributions to sustainable and eco-tourism development. The study analyzes how the event facilitated improvements in tourism infrastructure and enhanced the countrys international visibility. The findings indicate that COP29 played a significant role in promoting national parks, historical and cultural heritage sites, and stimulating eco-tourism development in the regions. Furthermore, the conference led to an increase in tourist arrivals and encouraged innovation within the hotel sector. The study also highlights the implementation of new strategies aimed at fostering sustainable tourism development in Azerbaijan.

Inan (2025) examines congress tourism in Turkey by focusing on four major destinations: Ankara, Antalya, Istanbul, and Izmir. The study aims to comparatively evaluate the congress tourism potential of these cities using the TOPSIS multi-criteria decision-making method. The results indicate that Istanbul ranks as the most ideal destination due to its strong transportation infrastructure, high service capacity, and diversified touristic offerings. Antalya ranks second, while Izmir is placed third owing to its economic advantages. Ankara is ranked fourth due to limitations in infrastructure and capacity. Overall, the study concludes that infrastructure quality, accessibility, and service capacity are key determinants in the assessment of congress tourism destinations.

In the study conducted by H.Jafarli (2025), the primary objective was to analyze the current state of the business tourism market in Azerbaijan and to determine the role of marketing research within this sector. Within the scope of the research, the dynamics of congresses, exhibitions, and incentive tours were examined. The findings indicate that although fluctuations have been observed in the number of business meetings, there has been a notable increase in the number of congresses, exhibitions, and incentive tours, particularly after 2020. This trend suggests that Azerbaijan's tourism sector is undergoing a structural transformation toward more diversified and resilient tourism products.

7 Method

Azerbaijan, emerging as a destination that has gained momentum in the global tourism market in recent years, offers a significant competitive advantage in terms of alternative tourism types, thanks to its rich diversity of resources and strategic location. In the process of translating this potential from a theoretical framework into practical application, this study aims to comprehensively analyze the business tourism (MICE) capacity, which constitutes one of the most dynamic niche markets of the country.

The study is designed within a qualitative research framework, which allows for an in-depth examination of the phenomenon under investigation. Methodological triangulation was adopted throughout the data collection and analysis process; within this scope, primary qualitative data obtained from the field were complemented by secondary sources, including institutional reports and academic literature (Zogal and Emekli, 2018; Pirnar et al., 2019). This integrated approach aims to enhance the validity and reliability of the findings while providing a comprehensive assessment of Azerbaijan's current competitive advantages and development areas in business tourism.

During the primary data collection phase, a purposive sampling strategy was employed to construct the study group. Accordingly, experts working within the State Tourism Agency of the Republic of Azerbaijan, as well as university academics specializing in tourism studies, were included in the research. The inclusion of participants with both practical and theoretical expertise contributed to a more holistic interpretation of the research findings. Semi-structured online interviews were conducted with the expert group, enabling the collection of rich, multi-dimensional qualitative data based on participants' professional experience and academic knowledge.

In the data analysis process, the interview data were systematically coded. During the open coding phase, the data were segmented into meaningful units, and similar codes were subsequently grouped to form categories and themes. Through a constant comparative method, relationships among themes were examined, leading to the development of overarching analytical themes that structure the interpretation of the findings. This process ensured analytical consistency and methodological rigor.

The sample size was determined based on the principle of data saturation, one of the fundamental concepts in qualitative research. Data collection was terminated when theoretical saturation was reached after interviews with 12 participants (Yıldırım and Şimşek, 2021; Güler et al., 2015). The data were collected online between 10 and 25 January 2026. To ensure the validity and reliability of the research instrument, the interview questions were developed in line with the relevant literature and finalized following expert evaluations.

Table 2: *Demographic Characteristics of the Participants*

<i>Participant</i>	<i>Title/Position</i>	<i>Institution/Sector</i>	<i>Experience (Years)</i>
<i>Participant 1</i>	Asst. Professor	University	12
<i>Participant 2</i>	Asst. Professor	University	7
<i>Participant 3</i>	Professor	University	20
<i>Participant 4</i>	Asst. Professor	University	5
<i>Participant 5</i>	Associate Professor	University	15
<i>Participant 6</i>	Asst. Professor	University	8
<i>Participant 7</i>	Associate Professor	University	18
<i>Participant 8</i>	Asst. Professor	University	6
<i>Participant 9</i>	Asst. Professor	University	11
<i>Participant 10</i>	Tourism Expert	Ministry of Tourism	6
<i>Participant 11</i>	Tourism Expert	Ministry of Tourism	10
<i>Participant 12</i>	Tourism Expert	Ministry of Tourism	15

Table 2 shows that the sample is composed of a balanced mix of academic and policy-oriented professionals, ensuring both theoretical and practical insights. The majority of participants are university academics, indicating a strong scholarly foundation in the data, while the inclusion of tourism experts from the Ministry of Tourism adds an applied, policy-relevant perspective. Experience levels range from 5 to 20 years, reflecting a heterogeneous group that combines early-career and senior professionals, which enhances the depth and reliability of the findings.

Ethical considerations were observed throughout all stages of the research process. Informed consent was obtained from all participants, confidentiality of personal information was guaranteed, and it was assured that the collected data would be used exclusively for scientific purposes.

In the analysis phase, the TOWS matrix, a strategic advanced model of the frequently utilized traditional SWOT analysis, was preferred. While a standard SWOT analysis limits itself to presenting internal (strengths/weaknesses) and external (opportunities/threats) parameters of the current situation as a static list, TOWS analysis enables the generation of action-oriented and preventive strategies by systematically matching these variables on a matrix plane (Bozac, 2008). The fundamental rationale for selecting this method was not merely to determine Azerbaijan's business tourism outlook through a descriptive approach, but to establish a dynamic strategic roadmap for integrating internal capabilities with external opportunities or safeguarding structural weaknesses against environmental threats. Accordingly, the study moves beyond presenting a purely descriptive analysis; it carries an analytical quality that develops applicable models for sectoral decision-makers and provides logical contributions to macro-level policy-making processes.

8 Findings

SWOT analysis is a method encompassing a detailed investigation of the current situation of an entity, such as a company, firm, product, service, or region. This method involves the analysis of internal strengths and weaknesses inherent to the subject, alongside external opportunities and threats arising from the surrounding economic, political, social, and cultural environments. These opportunities and threats must specifically pertain to factors that influence the subjects operations and overall success (Sariisik, 2011; Kumar and Praveena, 2023).

Table 3: *SWOT Analysis of Business Tourism Potential of Azerbaijan*

STRENGTHS	WEAKNESSES
<i><u>Strategic and Geographical Advantages</u></i>	<i><u>Regional Imbalance</u></i>

• A bridge between Europe and Asia • Zangezur corridor and transit potential <u>Infrastructure</u> • Modern conference and exhibition centers in Baku • International airports and the ASAN Visa system <u>Experience and Reputation</u> • Large-scale events such as COP29, Formula 1, and CIS Games • Strong organizational capacity at the state level <u>Resources and Social Factors</u> Rich natural resources and cultural diversity High level of safety and a multicultural environment	• Concentration of activities primarily in Baku, with underdeveloped infrastructure in the regions <u>Transport and Logistics</u> • Closed land borders and high airfare costs • Traffic congestion within Baku <u>Human Resources</u> • Shortage of qualified professionals • Limited language proficiency and “brain drain” <u>Governance and Structure</u> Weak public-private sector coordination and bureaucratic barriers Service quality lagging behind international standards Seasonality issues and weak domestic tourism
OPPORTUNITIES	THREATS
<u>Global Trends</u> • “Green economy,” “green events,” and digitalization (hybrid events) • Increasing number of events within the framework of Sustainable Development Goals (SDGs) <u>New Markets</u> • Asian markets such as China, India, Korea, and Japan • Integration with Gulf countries and Turkic states <u>Strategic Directions</u> • <u>Integration of medical tourism (Naftalan, Istisu) into the business tourism sector</u> • <u>Inclusion of Karabakh and liberated territories into tourism circulation</u> • <u>Potential for technology, startup, and green energy forums</u>	<u>Geopolitical and Economic Risks</u> • Regional political tensions and indirect effects of global conflicts (Russia– Ukraine, Middle East) • Dependence on oil revenues and inflation risks • Threats to currency stability <u>Competition</u> • Strong positions of regional competitors such as Türkiye and Georgia • Intense competition in the international MICE market <u>Institutional Issues</u> • <u>Potential risks related to transparency and corruption</u> • <u>Passivity of entrepreneurs and imbalance within the sector</u>

The data obtained through qualitative interviews were analyzed, and a SWOT analysis table (Table 3) based on the interview responses was developed. The SWOT analysis table of Azerbaijan's business tourism potential encompasses a detailed examination of the regions' strengths and weaknesses, as well as the opportunities and threats present in its external environment.

Within the scope of strengths, participants particularly emphasized strategic geographical location and event infrastructure; one participant stated that “there are various international airports, we have a

convenient visa system, and especially significant infrastructure exists in Baku” (Participant 1), supporting this situation. Similarly, large-scale international event experience emerged as an important advantage, and it was stated that “Azerbaijans ability to host events such as COP29 demonstrates strong organizational capacity” (Participant 3). *This view was further supported by another participant, who stated that “everything is developed in Baku—conferences, congresses, and exhibitions are organized here” (Participant 4), highlighting the city’s role as the primary hub for business tourism activities in Azerbaijan. In addition, participants identified the country’s geopolitical position as a significant strength. One participant emphasized that “being located at the crossroads of Europe and Asia is one of our key advantages” (Participant 11), underscoring Azerbaijan’s potential to serve as a strategic transit point and an attractive destination for international business events, meetings, and conferences.* Regarding weaknesses, human resource shortages and regional imbalance were identified as key issues; one participant stated that “the concentration of everything in Baku is one of the main shortcomings” (Participant 2), while another indicated that “the emigration of qualified professionals increases brain drain” (Participant 7). *This concern was further reinforced by another participant, who stated that “our theoretical and practical foundation regarding event organization under the scope of event tourism is extremely limited” (Participant 3), pointing to a structural deficiency in professional expertise and industry capacity. In addition, participants drew attention to bureaucratic barriers that hinder the sector’s development. One participant explained that “obtaining approvals requires passing through multiple administrative levels—first the regional authorities and then the Ministry of Tourism—and this process can take weeks; it is one of the major obstacles to business tourism” (Participant 10).* In terms of opportunities, participants emphasized digitalization and the expansion of new markets. One participant highlighted the importance of digital transformation in business tourism by stating that “the increase in digitalization and the expansion of hybrid events create new opportunities for us” (Participant 9). Another participant stated that “Asian countries, particularly markets such as China and India, create significant new target opportunities for Azerbaijan” (Participant 5), emphasizing the strategic importance of market diversification. Participants also identified the reconstruction and redevelopment of Karabakh as an emerging opportunity for the business tourism sector. One participant noted that “following the liberation of Karabakh, international interest in Azerbaijan has increased, and this interest can be transformed into a business environment” (Participant 6), highlighting the potential of recent geopolitical developments to serve as a catalyst for tourism growth and investment attraction. Regarding threats, participants highlighted geopolitical risks and regional competition. One participant explained this by stating that “political and economic instability are among the most significant risks directly affecting the tourism sector” (Participant 4). Another participant emphasized regional competition by stating that “strong competition from countries such as Georgia and Turkey in the tourism sector may make Azerbaijan’s position more challenging” (Participant 8). Furthermore, dependence on oil revenues was identified as a major structural vulnerability affecting the sustainability of business tourism development. One participant emphasized that “almost all investment and financial resources in Azerbaijan are tied to oil; any fluctuation in oil prices immediately creates instability across sectors” (Participant 7), highlighting the fragility of the country’s economic foundation and its potential implications for tourism-related investments and long-term sectoral resilience. Overall, these findings demonstrate that the SWOT analysis is not merely descriptive but is directly constructed based on field data, thereby providing a strong strategic foundation for the TOWS analysis.

The TOWS analysis is grounded in situational analysis and provides possible applicable strategies (Weihrich, 1982; Szeliga-Duchnowska and Bolesław Goranczewski, 2017). In relation to the business tourism SWOT analysis, the TOWS strategies are defined as follows:

- S/O – pursue opportunities that align with the strengths;
- W/O – overcome weaknesses in order to capitalize on opportunities;
- S/T – utilize strengths to reduce vulnerability to external threats;
- W/T – develop a defensive plan to prevent weaknesses from making the entity highly susceptible to external threats.

These strategies were derived from the interviews and are presented in Table 4.

Table 4: TOWS Analysis of Business Tourism Potential of Azerbaijan

<i>STRATEGY TYPE</i>	<i>STRATEGIC DIRECTION</i>	<i>DESCRIPTION</i>
SO (Strengths + Opportunities)	Development of a regional MICE hub	Based on its strategic geographical location and experience in hosting international events, Azerbaijan can target markets such as China, India, and the Gulf countries, positioning Baku as a regional conference and forum hub.
	Green events and sustainable practices	By leveraging modern infrastructure, carbon-neutral events, eco-certified venues, and sustainable logistics systems can be developed.
	Integration of business and medical tourism	Through resources such as Naftalan and Istisu, the “bleisure” model (business + leisure) can be implemented to increase tourists length of stay and expenditure.
	Integration of Karabakh into tourism	The inclusion of liberated territories into tourism circulation can expand the sector geographically by hosting international forums and investment summits.
WO (Weaknesses + Opportunities)	Human capital development	Professional workforce shortages and language barriers can be addressed through international cooperation and educational programs.
	Development of regional infrastructure	Public-private partnerships can support the establishment of conference centers and tourism infrastructure in the regions, reducing dependence on Baku.
	Digitalization and hybrid events	Service quality can be enhanced and event management optimized through digital platforms and hybrid event models.
ST (Strengths + Threats)	Reducing seasonality	Year-round event planning can ensure sustainability in the tourism sector.
	Alternative market strategy	By emphasizing its safe and stable environment, Azerbaijan can attract events from regions facing higher geopolitical risks.
	Strengthening competitive advantage	Instead of competing in the mass MICE market, Azerbaijan can focus on niche segments such as energy, transport, and geopolitics, positioning itself as a regional leader in specialized events.
	Development of the non-oil sector	Business tourism can contribute to economic diversification and reduce dependence on oil revenues.
WT (Weaknesses + Threats)	National branding strategy	The successful organization of international events can enhance Azerbaijan's global image as a destination for major events.
	Governance reforms	Public-private sector coordination should be strengthened, bureaucratic barriers reduced, and governance mechanisms improved.
	Improvement of transport and logistics	Airfare accessibility should be increased and restrictions related to land borders should be eased.
	Transparency and anti-corruption Measures	The implementation of transparency mechanisms in line with international standards can enhance investor confidence.
	Promotion of Entrepreneurship	Supporting small and medium-sized enterprises can foster sectoral balance and a competitive environment.

The TOWS matrix illustrates the potential success strategies that Azerbaijan can pursue based on its tourism-related strengths while addressing its weaknesses. It also presents strategies that the country can implement to capitalize on business tourism opportunities and mitigate external threats.

SO strategies indicate that Azerbaijan's strategic transit location and accumulated experience in hosting international events create a substantial foundation for its transformation into a regional MICE hub. In

this regard, Participant 10 emphasized that “with the opening of the Zangezur Corridor, Azerbaijan will transform into a strategic center connecting Europe and Asia,” underlining the countrys growing geopolitical and logistical significance. *This perspective was further reinforced by another participant, who stated that “the Zangezur Corridor and direct access to Türkiye will connect Europe and Asia — effectively carrying the corridor of the past into the future” (Participant 5). This observation highlights Azerbaijan’s strategic transit function from both historical and contemporary perspectives, emphasizing its potential to serve as a key connectivity hub for international trade, mobility, and business-related travel. The findings suggest that enhanced regional integration and transportation linkages could significantly strengthen the country’s attractiveness as a destination for business tourism and international events.* Moreover, the international recognition achieved through COP29 is expected to facilitate the integration of business, health, and sustainable tourism within a more diversified tourism framework. Within the WO strategic dimension, enhancing human capital and reducing regional infrastructural disparities emerge as critical policy priorities. As highlighted by Participant 6, “the lack of foreign language proficiency directly limits the international competitiveness of the sector,” revealing the structural limitations associated with workforce capacity. *This concern was also expressed by another participant, who stated that “the number of students studying tourism is high; however, the number of students who can speak English or Russian is low—this is one of the fundamental problems” (Participant 7), highlighting a concrete and measurable gap in workforce preparedness.* Accordingly, strengthening international educational partnerships alongside the adoption of digital and hybrid event models may improve service quality, operational efficiency, and global competitiveness. The ST strategies demonstrate that Azerbaijan’s relatively stable and secure environment may serve as a strategic advantage in an increasingly competitive regional tourism market. Participant 4 remarked that “if a major event were assigned to Azerbaijan, it would be organized excellently,” reflecting confidence in the countrys institutional and organizational capabilities. *One participant stated that “if it needs to be built, it will be built—Azerbaijan does everything thoroughly; this is one of our strengths” (Participant 12), emphasizing the country’s commitment and capacity to organize events at an international standard.* Furthermore, concentrating on specialized segments such as energy, transportation, and geopolitics may enable Azerbaijan to establish a differentiated position within the regional MICE industry. From the WT strategy perspective, institutional reforms, transportation accessibility, and entrepreneurial support mechanisms constitute essential components for sustainable sectoral development. Participant 11 stated that “bureaucratic barriers and governance-related challenges significantly slow down the countrys tourism development,” thereby emphasizing the necessity of structural and administrative reforms. *This view was further confirmed by another participant, who argued that “in Azerbaijan, everything operates within the framework of the state—the involvement of the private sector remains limited, which weakens competition and innovation within the sector” (Participant 3), thereby highlighting the need for a more balanced public–private partnership model.* In addition, improving the capacity of regional airports and promoting SME participation in the tourism sector may strengthen the resilience and long-term sustainability of Azerbaijan’s MICE ecosystem.

9 Conclusion

The SWOT and TOWS analyses conducted in this study provide a strategic evaluation of Azerbaijan’s business tourism potential. The results systematically highlight the sectors strengths and weaknesses, as well as the opportunities and threats that shape its external environment.

An examination of the SO (Strengths–Opportunities) strategies indicates that, given Azerbaijan’s strategic geographic location and its experience in hosting international events, Baku can be positioned as a regional MICE (Meetings, Incentives, Conferences, Exhibitions) hub. Furthermore, leveraging

modern infrastructure enables the implementation of carbon-neutral events, eco-certified venues, and sustainable logistics systems. The integration of business and health tourism through the “bleisure” (business + leisure) model may increase both the length of stay and expenditures of visitors. Additionally, incorporating liberated territories such as Karabakh into tourism circulation can geographically expand the sector and provide opportunities to host international forums and investment summits.

The WO (Weaknesses–Opportunities) strategies suggest that challenges such as workforce shortages and language barriers can be mitigated through international collaborations and targeted educational programs. The development of regional infrastructure via public-private partnerships can reduce dependence on Baku. Moreover, the adoption of digital platforms and hybrid event models can enhance service quality and optimize event management. Year-round event planning also provides a means to reduce the sectors seasonal fluctuations.

Regarding ST (Strengths–Threats) strategies, Azerbaijan's safe and stable environment allows the country to attract events from regions experiencing higher geopolitical risks. Rather than competing in the mass MICE market, focusing on niche segments such as energy, transportation, and geopolitics can consolidate Azerbaijan's position as a regional leader in specialized events. Business tourism can contribute to economic diversification and reduce reliance on oil revenues. Successfully hosting international events further enhances the country's global image as a premier destination for major business gatherings.

The WT (Weaknesses–Threats) strategies highlight the necessity of strengthening coordination between the public and private sectors, reducing bureaucratic obstacles, and improving governance mechanisms. Enhancing transportation accessibility, particularly air connectivity, and easing land border restrictions are recommended. The implementation of transparency and anti-corruption measures in line with international standards can increase investor confidence. Supporting small and medium-sized enterprises can promote sectoral balance and foster a competitive environment.

The findings of the study indicate that, in order for these opportunities to be transformed into lasting and sustainable gains, structural constraints related to governance capacity, geopolitical risks, and the credibility of sustainability practices must be addressed.

Research findings clearly indicate that infrastructure investments alone are insufficient to generate a sustainable competitive advantage. Although Baku's modern convention centers and hotels provide significant physical capacity, this advantage does not automatically ensure long-term destination competitiveness. The ability of infrastructure to generate value is directly linked to an effective institutional framework, a qualified human capital base, and a coherent strategic management capacity. In Azerbaijan, the organization and management of MICE events are predominantly conducted by public institutions, which limits the involvement of the private sector and reinforces a state-centered governance model. In this context, coordination among relevant public actors such as tourism authorities, municipalities, transport services, and accommodation providers becomes a key determinant of sector performance.

Another important issue closely related to institutional capacity is the dual nature of Azerbaijan's geopolitical position. While the country's intercontinental accessibility represents a significant strategic advantage, regional conflict dynamics and great power competition increase perception-based risks among international event organizers. Therefore, perception management becomes a strategic necessity for positioning Azerbaijan as a reliable MICE destination, independent of physical infrastructure quality.

In addition, although initiatives related to eco-certified venues and carbon-neutral events have been introduced in recent years, they remain limited in scope and are still in the early stages of institutionalization. Given that corporate clients increasingly prioritize sustainability criteria in destination selection, the credibility of green commitments depends on their verification through independent auditing mechanisms. In the absence of such verification mechanisms, sustainability discourse may create the perception of insufficient alignment with actual practices, which can pose a risk of weakening, rather than strengthening, the destinations credibility and competitive advantage.

The integration of Karabakh into the tourism system also requires a multidimensional and realistic assessment. Although the region holds significant long-term potential, the realization of this potential depends on interconnected preconditions, including infrastructure reconstruction, improvement of transport connectivity, stabilization of security conditions, and the reconfiguration of its international image. Any deficiency in one of these areas would directly constrain progress in the others. Therefore, the inclusion of Karabakh in business tourism planning should not be approached as a short-term promotional objective, but rather as a long-term and phased process.

The structural challenges discussed above directly shape the framework of practical implications derived from the research findings. The transformation of strategy orientations based on the TOWS analysis into tangible outcomes requires policymakers and private sector stakeholders to move beyond purely strategic frameworks and prioritize institutional and operational reforms.

From the perspective of policymakers and national tourism authorities, the primary priority is to enhance the international competitiveness of the MICE sector. In this regard, strengthening the effectiveness of international marketing activities will contribute to positioning the destination more strongly on a global scale. In addition, standardizing event-related procedures will improve organizational efficiency and create a more predictable and reliable environment for international participants. Furthermore, improving border-crossing procedures—particularly by facilitating visa and entry processes—can be considered an important short-term measure that enhances destination accessibility and contributes to its attractiveness.

The private sector and investors should not confine their priorities solely to the expansion of physical capacity; rather, they should also encompass the enhancement of service quality, the improvement of operational efficiency, and the alignment of the customer experience with international standards. In this context, investments in hybrid and digital event technologies are increasingly becoming strategically significant, particularly in adapting to evolving global MICE trends and strengthening competitive positioning. Moreover, the development of specialized service providers in domains such as event management, congress organization, destination management, and event logistics can substantially contribute to the professionalization and structural consolidation of the sector.

In conclusion, Azerbaijan possesses significant potential in the business tourism sector. By leveraging its existing strengths in conjunction with opportunities and addressing its weaknesses, the country can achieve strategic advantages. Innovation emerges as a central theme across the TOWS strategies, underscoring the critical importance of employing creative tools and strategic applications to attract both domestic and international tourists. The strategic recommendations derived from this study should be incorporated into the planning processes of policymakers, local authorities, tourism professionals, and industry stakeholders, both in the public and private sectors.

From a theoretical perspective, this study approaches the SWOT–TOWS framework not merely as a descriptive classification tool, but as an action-oriented and contextual decision-support framework.

While the application of SWOT analysis in the literature is frequently confined to the systematic categorization of internal and external environmental factors, this research demonstrates the capability of the TOWS matrix to translate these factors into strategic orientations, thereby reinforcing the analytical and prescriptive qualities of the model. Moreover, by incorporating dimensions such as institutional structure, geopolitical positioning, and sustainability into the analytical framework, the study offers a more holistic and multidimensional approach. It underscores that destination competitiveness cannot be attributed exclusively to physical infrastructure; rather, it must be evaluated in conjunction with vital elements such as governance capacity, the quality of human capital, and perception management.

This study has several limitations that should be acknowledged. Firstly, the limited time frame of the research constrained both the data collection and analysis processes. Secondly, the relatively small sample size of 12 participants limits the generalizability of the findings. Future studies are encouraged to complement qualitative approaches with quantitative analyses involving larger and more representative samples. In addition, integrating macro-environmental frameworks such as PESTEL analysis or other strategic management and marketing tools alongside SWOT and TOWS analyses could broaden the analytical scope and strengthen the strategic interpretation of the findings. Despite these limitations, the strategic recommendations presented in this study may serve not only as a reference framework for Azerbaijan but also as a useful benchmark for similar destinations and stakeholders involved in strategic planning processes.

10 Declaration

10.1 Competing Interests

There are no competing interests in this study.

11 Studies Involving Humans and Animals

11.1 Ethical Approval

Ethical approval was obtained from the relevant ethics committee (Meeting No. 12; Official Letter No. 3761457).

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