



## AN OVERVIEW OF MICE SECTOR IN INDIA

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### **Abstract**

*The Meetings, Incentives, Conventions and Exhibitions (MICE) sector of tourism is rapidly expanding worldwide. The paper discusses about an overview of MICE sector in India. Conventional tourism no doubt is a vital contributor in the process of economic development. However the globalization and liberalization of economy has brought into its wake the MICE (Meeting, Incentives, Conferencing, and Exhibitions) which is at present supplementing the contribution of conventional tourism. It is however, foreseen that mice tourism has enough potential outdo the role of conventional tourism in the years to come. The countries must therefore, encourage it and focus attention towards the development of MICE tourism. India attracts only one percentage of the total international market in MICE. The paper provides a comprehensive detail about the MICE (Meeting, Incentives, Conferencing, and Exhibitions) centres of India. The paper discusses the weaknesses, threats of mice as far as India is concerned. The paper also throws light on planning of MICE and action plan.*

**Keywords:** Meetings, Incentives, Conferencing, Exhibitions, Mice, Tourism.

### **Mice Tourism**

Some people may not be familiar with the term “MICE”. MICE tour includes meeting, incentives, conference and exhibitions. Sometimes the tourism is referred as to meetings or even industry and focuses specialized niche of group tourism. The MICE Tourism is mainly related to planning, bookings, facilitating events, seminars and conferences. The industry deals with a number of components such as to plan corporate meeting, booking conference centers, food and beverage, tourism board, private tour operators, logistic firms and travel sellers. The planning is done year in advance and MICE is affiliated with large corporate agencies.

### **Need For Mice Tourism**

The business tourism, which has become a part of the International tourism market, is usually planned in advance and they are brought together under a particular theme such as educational topic or a blend of leisure and business. The MICE Industry is required to bring new ideas and clients to our country which can increase sale and revenues. The specialized industry meets unique need of companies and the service industry is essential to bring trade, transportation, travel and finance together. Social media promote MICE business to increase awareness and to improve customer service. After the coming of MICE, India has been developed with better infrastructure, improved rail, road and air transport and making unique as well as excellent conference destination.

### **Major Destination**

India is developing fast and becoming the most preferred destination due to warm hospitality, rich historical and cultural heritage, exotic business hotels, advanced technology and providing best infrastructure. India has been holding trade show and exhibitions events and some major MICE destination are:

**Delhi** – The capital city, Delhi remains a favorite MICE destination for some time due to world class infrastructure, ancient monuments and availability of excellent shopping centers. Some popular business meeting venues include the Habitat World Convention Centre, Vigyan Bhawan and the convention hall at The Ashok.

**Noida** – Noida remains a popular destination due to world class state of the art facilities available. The MICE industry prefers Noida to conduct seminars, meeting, and conferences and to launch various products. With an excellent golf course, Noida also offers smart venue at the Delhi International Expo Center to hold seminars and banquets.



**Hyderabad**– Hyderabad with numerous heritage monuments, the Pearl City has become a fast information and technology hub. The Hyderabad International Convention Center has already hosted International as well as national conference and meetings within a short period of time.

**Jaipur, Jodhpur and Udaipur** – Jaipur provides world class facilities and conference venues such as ITC Rajputana and B.M.Birla Science center for conducting various business events. Jodhpur, the happening business center is famous for few hotels such as Umaid Bhawan Palace and Hotel Park Plaza to hold a conference. Udaipur remains one of the best places to hold meetings and enjoy the charm of a royal era.

**Cochin** – The City famous for backwater remains an ideal destination for the **MICE industry** to conduct conference. Ayurveda remains a major attraction for business delegates.

### Swot Analysis Of India's Mice Tourism Industry

#### Strengths

1. A country that has a recorded history of over 5,000 years and over 25 world heritage sites.
2. The 6th largest economy in the world, India has been tipped as the world's fastest growth market for tourism by the World Travel and Tourism Council. The country already has more than 2.5 million inbound visitors, 234 million domestic tourists and 6 million outbound travelers per year.
3. India gets a close to 0.96% of the world Meetings share. It hosted 91 International meetings in 2000, in an industry that is expected to generate USD 300 billion. It ranks 34th on the world Meetings and Conference map. (Source: ICCA-ICPB).
4. The biggest annual exhibition in India, India International Trade Fair, grossing over 4 million visitors in 14 days, with over 7,500 corporate participants, the largest multi-product expo in Asia, undoubtedly qualifies as Asia's largest Global Business Meeting ground.
5. According to ICCA, India can capture the Asian MICE share, since 69% of MICE meetings prefer city hotels and 21% prefer resorts and India has an abundance of both.
6. Conde Nast Traveller, UK's Annual Readers Travel Awards 2003 has ranked India on the 9th slot in the world, a position that is 2 slots above the last year's ranking.
7. Conde Nast Traveller UK's Annual Readers Travel Awards 2003 has also chosen the Oberoi's Rajvilas, Jaipur at the 1st slot in the Overseas Leisure Hotels Asia and the Oberoi Vanyavilas, Ranthambore at 11<sup>th</sup> position.
8. For the first time in India, the word MICE (with major emphasis on Meetings and Conferences) has been added in its key tourism positioning and promotional strategy by Kerala Tourism – popularly called the Gods' own country.

#### Weaknesses

1. Language barrier while transacting business: A case in point comes from a Korean exhibition that concluded in New Delhi with all product manufacturers coming from Korea. MICE INDIA team was unable to initiate any communication with Korean nationals; due to their inability to comprehend English, language was the culprit.
2. Indian hospitality industry is short of quality workforce in different skill levels. It is also not able to retain the ones with quality.
3. The hotel industry is facing a heavy shortage of rooms. Its is estimated that the room requirement will fall short of 1,50,000 rooms by 2011.
4. The image of India at some fronts like, second most populous country overrun by poverty, political instability, safety concerns and diseases also harms the tourism industry.

### **Opportunities**

1. The country being connected with the major economies of the world by 50 international carriers.
2. Recent increase in the air seat capacity due to signing of bilateral agreements with a number of countries.
3. Indian hospitality business has attracted many leading global hotel chains to build their operations in India.
4. Heavy network of Road and Rail transport providing easy access to every nook and corner of the country.
5. A major hub of IT, hence, a requirement of the present world hi-tech technologies for every country. A resourceful nation, having business contacts with all major leading economies of the world.
6. It is one of the fastest growing economies of the world.

### **Threats/Challenges**

1. Indian tourism industry is witnessing heightened competition with the arrival of new players, products and new systems around the globe.
2. Competition from neighboring countries and negative perception about Indian tourism products constraints the growth of Indian tourism.
3. Emerging and high class MICE destinations of Europe, America and some Asian majors.
4. Low air charges to different MICE destinations of world in comparison to the different places in India.
5. Recent terrorist activities in the major cities of India.

### **Planning For Mice Tourism**

Planning for MICE requires a lot of coordination, perhaps more than the tourism industry generally. Although, planning for tourism also entails a lot of heads yet planning for MICE is more complicated. Some of the areas that require a special set of planning as far as MICE tourism is concerned are:

### **Venues**

One of the most important aspect is the venue of the meetings, conventions and exhibitions. A large number of destinations do not get much of business that they want because they do not have that kind of venues that are needed for MICE business. For holding international level of meetings, conferences and exhibitions one has to seriously work on the type of venues that are available in the destination. For planning MICE, the industry should first consider:

1. Determining the number and capacity of existing venues for meetings, conferences and exhibitions.
2. Determining the degree of use of these venues.
3. Establishing expected future demand for these venues.
4. Determining the adequacy of existing venues to meet this expected demand.
5. Outlining any serious design faults with existing venues

If, for example, Bangalore is presented as the upcoming destination for MICE, there should be an inventory made of the existing venues that can hold meetings, conferences and exhibitions. It should also be tabulated as to what are the capacities of these venues and what is amiss. But most importantly one should determine as to what are the international standards existing in the venue complexes worldwide. One should also determine the expectations of the clients in this regard along with the existing and emerging trends in this sector.

### **Transport**

One of the concerns identified by the industry is regarding transport. This involves not only ground transport but also air transport. The main problem is related to insufficient and inconvenient airline timetables. Due to the inconvenient airline timetables, India lags behind in getting a good account of MICE tourists. Furthermore, the surface transport should also be according to the international standards. This scenario is slightly problematic for the development of MICE. Other aspects that need attention at the planning stage in this regard include selection of the type of coaches for road transport, trained drivers and escorts, etc. Generally, these services are contracted out to tourism transporters.

### **Accommodation**

Since, MICE is not a seasonal business it has to be planned the entire year round. In this regard, accommodation becomes a very important criterion. MICE tourists usually prefer accommodation setups near their meeting/conference/exhibition centre's. Further these accommodation units have to be equipped to handle their business requirements in the sense that they have to be able to meet the needs of the guests. Things like Fax machines, laptop provisions, internet connections, telex, etc, need to be there for this kind of a guest. Further, the staff has to understand the requirements of these travellers. Resorts and convention centre's specializing the MICE in fact provide special training to their staff for handling these business travellers and their equipment like beamers, projectors both movie and overhead, etc. Any Mega event requires years of planning and construction activity.

### **Other Support Services**

There are a variety of services (catering, shopping, entertainment and others) that are also a constraint for the industry to develop and need to be planned to get the optimum benefit from emerging MICE scenario. Again many developing countries are not totally equipped to give the best of facilities to the business travellers. Simple.

aspects like parking facilities, hoarding boards, mike and sound systems all make for a successful meeting, convention and exhibitions/trade shows.

The industry has to learn and understand fast so as to develop a MICE destination. International MICE tourists can also be facilitated by giving them handy information about the climate, dress codes, language, tipping, behaviours, etc.

**Sustainable Planning Concerns:** As for general tourism industry, planning for MICE also should be done in a sustainable manner. Sustainable approach should be applied in general and particularly in the following areas:

1. Planning for MICE should be resident friendly taking due concern for the issues like, carrying capacity of the destination, the adequacy of the parking space, security of the residents, etc.
2. Inappropriate designs and location should be avoided as that could lead to environmental hazards, like, erosion, flooding, deforestation, etc. Similar care has to be taken of waste disposal problems, ecological disruptions and overuse of fragile environments.
3. Guest Materials like, the papers used, the colours of laundry, paper napkins should be so crafted that they are either recyclable or biodegradable.
4. Due concern is also needed for the pollution which can occur from MICE tourism, like; air pollution resulting from the vehicles of guests, attendees, delegates and also by the use of generators, noise pollution resulting by concentration of attendees, visitors to exhibitions, cars, and sometimes even outdoor sessions and pollution done by the exhaust systems of the MICE centre's as well as the air conditioning system of these places and the dust generated from these areas.

### **Strategies To Promote MICE**

#### **Attracting MICE Tourists**

Opportunities exist to work with hotels to develop an in-house TV channel that features activities appealing to MICE tourists such as weekend tours, theatre, golf options, restaurants, special cultural and recreational events and flight departure information.

#### **Extending Business Trip**

Extended hotel room access can encourage business travellers to extend their stay before or after their business meetings. The standard industry practice of delaying check-in until after 15:00 hours and requiring check-out by noon discourages business tourism add-ons. Another way to encourage extended stays is to provide business support facilities so that the traveller can transact business efficiently 24 hours a day. An increasing number of hotels - following the model of airline business lounges - are embracing the concept of business-class rooms that feature enhanced work space and lighting, Internet access via the TV, data ports, two-line cordless phones, and private faxes.



### **Influence Corporate Travel Managers**

Arrival and departure times are often selected by corporate travel managers rather than by the individual business traveller. India can market its MICE tourism options to corporate travel managers in order to influence travel schedules, such as including early arrival so that travellers are rested & can conduct business efficiently. Adding Airport Tourism Apart from duty-free shopping, one-hour sightseeing packages can be worked out with the airports to make an inventory of the activities available to MICE travellers. Gaps to be addressed may include business centre's with Internet access, exercise facilities, day rest rooms booked on an hourly basis, extended shopping options and short tours. Business Services for Tourist Resorts Upscale resorts opening around the world, as well as hotel properties being converted to conference resorts, are blending resort spa facilities with full-service business amenities. India can market itself as cost-effective, yet exotic locales, where corporate objectives can be met in a rejuvenating setting.

### **Tourism Packages for Conventions**

International trade shows and conferences attract hundreds to thousands of delegates, often from many countries. Tourism and convention planners often include tourism add-ons for delegates. These events may include city tours, golf and sightseeing as a regular part of their programmes. Golf add-ons can be particularly lucrative. Local suppliers should explore partnerships with local trade and convention planners to develop packages for incoming delegates.

### **Families on Business Trips**

A growing number of business travellers bring families on business trips. This creates an opportunity to work with hotels and convention centre's to develop new offerings for children and spouses during business meetings. A world-famous hotel in Scotland, for example, has introduced a programme for children with diversions including a playroom, country club and participation in sporting activities. India can also ensure that its hotels can offer a safe and child-friendly "package" for business executives travelling with children.

### **Adventure Travel**

Executives are increasingly attracted to the adventure venue business trip, which combines team building and strategic planning needs with adventure travel. One company, for example, designs adventure vacations for organizations designed to boost morale and develop leadership in corporate employees, while providing a "perk" in the way of a rafting trip or other exciting recreational venues. India which is already positioned in leisure & adventure tourism can also extend such products to the business traveller.

### **Corporate Travel Departments**

Travel expenses have become the second or third largest controllable expense for most corporations engaged in MICE travel. As a result, heads of firms are becoming directly involved in mandating and monitoring travel policy. Close to 90% of United States companies now centralize their travel-policy development, 85% centralize cost monitoring, and slightly more than half centralize reservations and ticketing. India should focus MICE tourism marketing efforts on corporate travel management departments.

### **Travel Management Companies**

Unlike travel agents, travel management companies see themselves as consultants with a focus on service and quality. We need to develop strategic relationships and build credibility with corporate travel management companies in order to successfully penetrate the MICE tourism markets.

### **Promotion through Internet**

As in other areas of business, the Internet is becoming more important in promoting MICE tourism options and supporting travel arrangements. We have to ensure that our Internet offerings are compatible with international programming standards and to provide MICE-specific tourism information on our national and regional tourism web sites.



### **Providing Security**

Increased concerns over security, particularly for women travellers, provide niche opportunities. Training for hotel staff on security measures, plus security services such as escorting business travellers to their rooms, may increase market share. There may also be opportunities to provide “safe” evening and weekend events such as theatre outings or tours for women business travelers.

### **Conclusion**

The MICE tourism has given a new boost to the tourism industry of India and nearly 25 per cent of inbound tourism is more or less related to MICE or business tourism. During recent times the falling rupee has added to the advantages of the MICE segment in India as the cost of holding a business event in India has become a much affordable destination than other Asian countries like Singapore or Malaysia. India is poised positively on the MICE path! With the expansion in the network of airlines operating on the domestic routes, enhanced tourist surface transport systems including the Indian Railways, new centres of information technology numerous new convention centres, hotels and resorts that adds that extra touch which goes along way in winning the hearts of travelers, India is now a preferred MICE destination.

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