



Research Paper

“MICE Marketing & Management”

Urvashi Atri

(Assistant Professor, Department of Hospitality, HRIHM, Ghaziabad)
(Abdul Kalam Technical University Lucknow(AKTU))

ABSTRACT:

The meetings, incentive, convention, and exhibition (MICE) industry is very large and growing. According to an article by Meetings & Conventions (2006), the spending on meetings was nearly \$103 billion with “the total number of meetings held was up across the board. Corporate events rose 6 percent to almost 1.1 million events; association meetings increased by 8 percent to 227,000 events; and 13,000 conventions were held in 2007. In most U.S. convention destinations, the existing public convention centers are owned and operated by a public entity and are marketed by a non-profit destination marketing organization (DMO), often referred to as a convention and visitors bureau (CVB). Other management and operational structures have recently evolved including the emergence of independent for-profit operating companies (Destination Marketing Association International [DMAI] & International Association of Assembly Managers [IAAM], 2007). Some destinations have developed independent operating authorities to oversee building operations and finances. Although there are a few instances where the management of center operations and destination marketing functions are within a single organizational structure. According to DMAI and IAAM (2007), many of the convention centers developed in the last three decades were used as “loss leaders,” contributing essential economic activity that drove new tax revenues, economic benefit, and employment from other services and establishments such as hotels, restaurants, and retail stores. According to their report, the post-911 environment has changed somewhat. For example, municipal governments and other convention center ownership groups now seek to make operating revenues cover a much higher percentage of, if not all of, operating expenses. Expansions authorized prior to and just after 911 have also created the current “buyers’ market” (DMAI & IAAM, 2007, p. 4). Competition among DMOs is severe. The DMAI website indicates that they have over 1500 members from over 625 DMOs (DMAI, 2008).

KEYWORDS: Meeting, Incentive, Convention & Exhibition

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I. INTRODUCTION:

What is MICE?

Meetings

Meetings are typically held in hotel conference rooms or at convention centers. They are single-day events that bring together a group of professionals to address a key challenge or set goals for the organization.

Incentives

Incentives are travel rewards a company may provide in return for excellent professional performance from individual employees, groups or partners. A few days in a resort, hotel or popular hospitality venue at your company’s expense does wonders for employee loyalty.

Conferences

Conferences take meetings to the next level and are designed for a large corporate group to share knowledge across several days. They often include not only key members of the organization, but also guest speakers and the general public.

Exhibitions

Exhibitions are essentially trade shows where an organization promotes its key products and services to the public. They are hyper-focused events that drum up business and help employees to network and build lasting professional relationships.

MICE services: Revenue implications

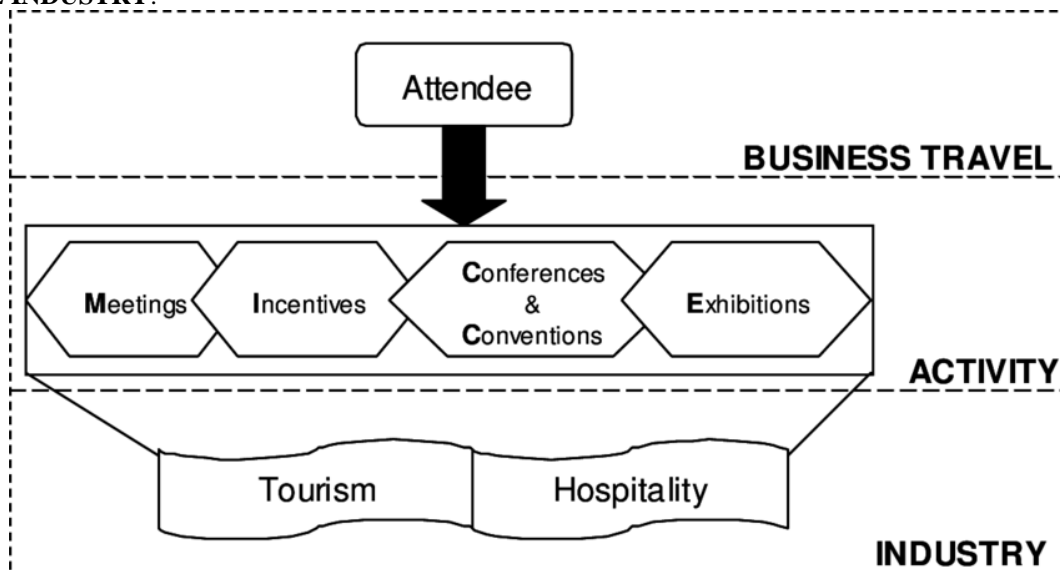
The latest Convention Industry Council report claimed that 85% of meetings in the U.S. are conducted at venues with lodging, generating more than 275 million room nights annually.

The expenditure of MICE travelers is much higher than leisure travelers, with profitable customers coming from the world of IT, banking, pharmaceuticals, retail and hospitality. In brief, hotel meetings and corporate events are great way to boost revenue and secure those extra bookings. Lastly, developing MICE services is the perfect opportunity to enhance a hotel’s reputation and profile, besides its profitability.

MICE: Required skills

The expertise required to excel in MICE tourist management is based on interpersonal, creative, organizational and technical skills. Innovative creativity is needed to design original event concepts, select the right venues and market effectively. The strong practical component must include technical know-how ranging from audio-visual dexterity to accessing fast-track visa apps. Soft skills such as patience, empathy, teamwork and problem-solving are vital if, for example, a large traveling party from a culturally-specific region are to be greeted with the appropriate welcome drink. This niche hospitality market has seen hotels having to create jobs for innovative meeting planners and professional conference services staff, as well as develop industry-specific programs to add new dimensions to their overall service infrastructure. In some cases, recruiting in-house can prove difficult if all competencies are to be met, hence the rise in Destination Management Companies (DMC) that have started to spring up worldwide. A DMC aims to offer the full range logistic services in their specialist destinations: meet & greet, transfers & transportation, hotel accommodation, restaurants, activities, excursions, conference venues, themed events and gala dinners. They are often able to provide preferential rates based on the buying power that they have with their preferred suppliers.

MICE INDUSTRY:



The term "MICE" in the context of travel is an acronym for meetings, incentives, conferences, and exhibitions. The MICE market refers to a specialized niche of group tourism dedicated to planning, booking, and facilitating conferences, seminars, and other events, which is a big moneymaker in the travel industry. The acronym has slowly been falling out of favor in recent years, as some industry professionals hope to move away from the affiliation with rodents. Instead, many now refer to this niche market as the meetings industry or events industry in tourism.

However, using MICE to refer to this industry is useful in that it encompasses every component of this particular travel market. Whether you're looking to organize a group outing for your company's employees (incentive) or you want to organize a big event focused on the latest innovations in your field (conference), MICE travel agents can help you book your itinerary.

Component-

MICE travel involves a number of components, and agents working in this field must provide a full range of travel and conference services for large and small groups and events of shorter and longer duration.

Personnel and businesses involved in the MICE market include corporate meeting planners, meetings and convention departments of hotels, conference centers or cruise ships, food and beverage managers, logistics

firms, private tour operators and transfer companies, incentive houses, professional trade organizations, tourism boards, tourism trade associations, and travel-selling professionals.

Because of the organization and planning involved, typically, years in advance, MICE travel agencies are usually affiliated with large corporations. Destinations often market themselves as MICE locations and bid for events through their convention and visitor bureaus. They might be able to offer subsidies to attract large events because of the increased revenue the visitors provide through their economic impact on the host location.

The Different Types

When it comes to understanding which type of MICE travel you'll be booking with your agent, it's important to understand the different terms that comprise the acronym. While meeting and conference travel may sound similar, for instance, the slight differences between them will be important when explaining your needs to your agent.

Meeting Travel

The International Association of Professional Congress Organizers defines a meeting as any number of people coming together in one place for a particular activity, which can be a one-time event or recur regularly. Simply put, meeting travel refers to organizing any number of people for such a meeting, which means it could also include a company sporting trip.

Conference Travel

On the other hand, a conference is similar to a meeting in that it is a gathering of people coming together in one place, but conferences usually have specific objectives and exchanges of information. Therefore, conference travel involves organizing itineraries, meetings, and events for people from the same profession or field.

Incentive travel

Incentive travel may be one of the harder components of MICE travel to understand since it doesn't necessarily deal with group events. Instead, incentive travel is typically given to employees as a reward. Incentive travel doesn't usually have a business or explicit educational component but instead is more of a non-business vacation with the aim of continued motivation for performance.

Exhibition Travel

At an exhibition, products or services are displayed, and they might be the primary focus of the event, which means that exhibition travel agents are those who organize such showcases. Exhibitions are often included in other conferences and meetings, though, meaning that there is often overlap between agents in these industries. Businesses court new clients and debut their latest offerings at these events.

Global Events

A number of global events focus on MICE travel, especially the incentive niche, many of which are organized by Questex Travel Group (formerly MEET). Of the annual events, these are some of the most prominent in the industry around the world:

- **Global Meeting & Incentive Travel Exchange (GMITE):** Formerly known as Incentive Travel Exchange (ITE).
- **Latin America Meeting & Incentive Travel Exchange (LAMITE):** Working to connect business opportunities in Latin America.
- **Annual Singapore MICE Forum (SMF):** Organized by SACEOS.

According to a new report published by Allied Market Research, titled, “MICE Industry by Event Type: Global Opportunity Analysis and Industry Forecast, 2018 - 2025,” the global MICE industry size was \$805 billion in 2017, and is projected to reach \$1,439.3 billion in 2025, registering a CAGR of 7.6% from 2018 to 2025.

MICE Industry Outlook - 2025

The MICE industry size was valued at \$805 billion in 2017 and is expected to grow at a CAGR of 7.6% to reach \$1,439.3 billion by 2025. MICE industry offers tourism services in which organizers and suppliers that manage and deliver meetings, conferences, exhibitions, and other related events held to achieve a range of professional, business, cultural, or academic objectives. MICE industry growth shall have a positive impact in the growth of businesses, cities, destinations, and other covered spectrums. Organizers of MICE events also provide other creative services that include show displays, directional signage, banners, kiosks/exhibit space,

event photography, and AV/technical production; and event marketing and sponsorship management, group air fulfillment, on-site event logistics and staffing, supplier management, virtual meetings, and risk management services.

MICE industry has been segmented based on event type, and region. Based on event type, the market is segmented into meetings, incentives, conventions, and exhibitions. By region, the market has been studied across four regions namely, North America, Europe, Asia-Pacific, and LAMEA.

In 2017, the meeting segment accounted for the highest share in the MICE industry. This is attributed to the increase in the globalization of businesses and rise in the number of (SME) Small and Medium-Sized Enterprise all over the world and especially in the emerging economies. Moreover, surge in the growth of travel and tourism as well as hospitality sector has further added to the growth of this segment. Recent trends of organizing hybrid meetings, use of social media and meeting apps is expected to boost market growth in the near future.

The incentive segment is estimated to be the fastest growing segment in the event type segment during the forecast period. Incentive travel is a management tool for rewarding and motivating sales representatives, dealers, distributors, production workers, support staff, and in some cases, customers. The company rewards sales representatives who reach sales targets by sending them on trips. Usually, the incentive trip comes with hotel stays, tour packages, and planned activities such as dinners, parties, and games. The market for incentive segment is driven by the rapid growth in the travel and tourism industry coupled with infrastructural developments and increase in the globalization of businesses.



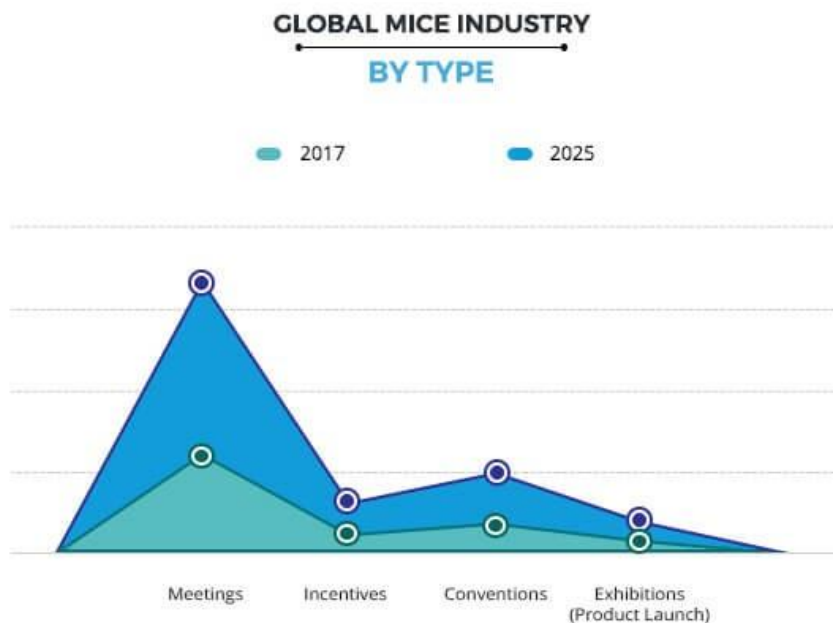
In 2017, Europe dominated the MICE industry and is expected to continue this trend throughout the forecast period. Asia-Pacific along with Europe contributed more than 50% in the global MICE industry share. The Europe market for MICE industry is primarily driven by the rising demand for meetings and a surge in adoption of smart devices and rise in internet penetration. Asia-Pacific is the fastest growing market and is expected to grow at the highest CAGR throughout the forecast period. Rapid growth in the business travel sector in recent decades have positioned Asia-Pacific as the fastest growing market in the world. The Asia- market for MICE industry is driven by high penetration of internet & technology and by strongly influenced government policies of China, which are focused on regulating a moderate growth of the economy. Moreover, most of the countries in this region are emerging nations and these economies offers lucrative business opportunities for investors.

The key players in the MICE industry focused on acquisition and expansion as the prominent strategy to overcome competition and to maintain as well as improve their market share in the global MICE industry. The

key players profiled in the report include Maritz, BI Worldwide, Ltd., ITA Group, Inc., One10, LLC, Meetings and Incentives Worldwide (M&IW), Creative Group, Inc., ACCESS Destination Service, 360 Destination Group, CSI DMC, Carlson Wagonlit Travel, IBTM, BCD Group, Cievents, ATPI Ltd, Conference Care Ltd, The Freeman Company, and The Interpublic Group of Companies, Inc.

Key Benefits for MICE Industry:

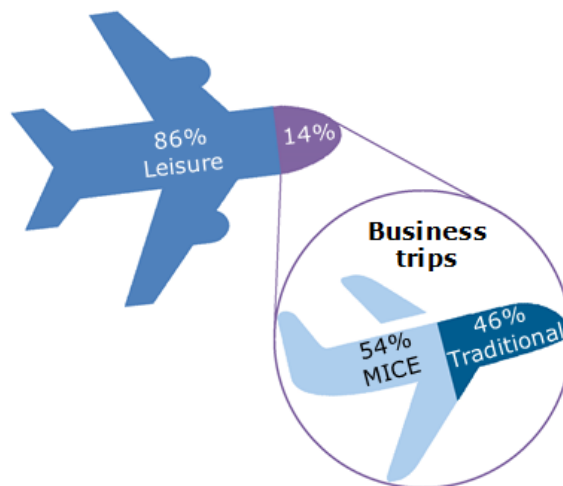
- The report provides a quantitative analysis of the current MICE industry trends, estimations, and dynamics of the market size from 2018 to 2025 to identify the prevailing market opportunities.
- The key countries in all the major regions are mapped based on their market share.
- Porter’s five forces analysis highlights the potency of buyers and suppliers to enable stakeholders to make profit-oriented business decisions and strengthen their supplier–buyer network.
- In-depth analysis on the MICE industry segment and size assists in determining the prevailing market opportunities.
- Major countries in each region are mapped according to their revenue contribution to the global industry. Market player positioning segment facilitates benchmarking and provides a clear understanding of the present position of market players.
- The report includes revenue generated from the sales of MICE industry and the MICE industry forecast across North America, Europe, Asia-Pacific, and LAMEA.
- The report includes the MICE industry analysis at regional as well as the global level, key players, market segments, application areas, and growth strategies.



The **Meetings** segment dominates the global MICE industry and is expected to dominate throughout the forecast period.



There has been a surge in presence of corporate industries all around the globe. This has increased the frequency of business activities such as client meetings, brand promotions, and employee training activities and has supplemented the growth of global MICE industry. Moreover, rise in government initiatives to promote SMEs and liberalization of market entry to increase FDIs has boosted the growth of this market even further. Other significant factors that promote the growth of the market are change in lifestyle of business travelers to seek leisure trips, rapid urbanization, and industrial growth. Furthermore, infrastructural development and continuous technological advancements in emerging nations has fueled the MICE Industry market growth. However, high cost associated with MICE events and uncertain global geopolitical conditions hamper growth of the market. Factors such as investments in infrastructural development and technological advancements are expected to provide avenues for growth in the coming future.



1. Product definition

The International Association of Professional Congress Organizers (IAPCO) defines MICE as:

- Meetings
- Incentives
- Conferences
- Exhibitions

The main purpose of MICE trips is business. Generally, they bring large groups together for a specific purpose. Other common terms are ‘Meetings industry’ or ‘Events industry’. MICE is a sub-segment of business travel, but it can also involve a leisure component.

Developing MICE can have great advantages for a destination, such as:

- stimulating the tourism economy, especially in low season,
- developing of better tourism infrastructure,
- increasing tourism expenditure, MICE travellers generally spend more money than leisure travellers, in less time,
- converting MICE travellers into leisure travellers. MICE travellers can extend their stay, can be accompanied by their partner or can return with their family or friends.

Meetings

In meetings, groups of at least 10 people from corporate organisations come together in one place. This can be on an ad hoc basis or according to a set pattern. Examples are:

- annual meetings,
- board meetings,
- sales meetings,
- product launches,
- presentations,
- Trainings.

Incentives

Incentives are corporate-sponsored trips for employees, distributors or clients. Unlike the other types of MICE, incentives are focused on leisure rather than business. Companies use them to:

- reward performance,
- motivate work effort,
- Create company loyalty.

Conferences

Conferences are meetings where hundreds or thousands of people participate. These people share a common interest, such as their job or industry, culture, religion or hobby. They are often organized by industry or trade associations. Other MICE definitions may use the term congresses or conventions for similar meetings.

Exhibitions

Exhibitions are professionally organized events where products and services are displayed. They are a cost-effective way for buyers and sellers to meet. Most exhibitions take place annually, at the same location. They are usually organized by associations. Other MICE definitions may use the term events. However, this term can be misleading. Tourism related events often attract more leisure travellers than business/professional travellers. Think of the World Cup, the Olympics or Formula 1.

Most promising: Meetings and Incentives

Small and medium-sized tourism providers in Developing Countries generally have limited capacity. In that case, you cannot host very large conferences and exhibitions. This makes small-scale meetings and incentive trips for 50 people the most promising MICE segments. These trips account for around a third of all MICE events for European buyers. For larger-scale MICE, you need enough capacity and/or financial means to invest in MICE infrastructure.

INNOVATIVE TECHNOLOGIES FOR MICE TOURISM

Meetings, conventions and fairs are often the first event where technological innovations are released, which are later introduced to the rest of the tourism industry. Last year, we have seen presentations of several novelties in MICE tourism: from facial recognition to access large events, to 3D food printers.

Facial recognition

Fully functional facial recognition systems that are being implemented in airports can be found in fairs and convention centers.

This technology allows thousands of people to rapidly access the inside of a venue where a large event is being held. But first, attendees must have sent in their picture. If they didn't, they have to go through the normal attendee registration process.

Facial recognition technologies for MICE tourism are faster, safer and also more unforgettable systems, because they make people remember any event.

Augmented reality

The augmented reality allows us to project data and images about things we see through a smart device, such as Google Glass or the screen of our smartphones.

The augmented reality that is already available in the market through apps for smartphones and tablets has different advantages: It can be easily used in group meetings, it works flawlessly, and today's modern phones are prepared for this technology.

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