

INDIA - GEARING-UP FOR MICE TOURISM

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Abstract : Inward tourism is always welcomed by any country. India is no exception. Currently countries all over the world focus on various segments to cater to the individualist needs of the tourist. One such niche tourism area that is in existence is MICE tourism. The focus is to serve the needs of the corporate/business world. MICE is related to meetings (in different destinations around the world to make them more productive), incentives (rewards for performance), conventions (many companies executives are motivated to participate to be updated) and exhibitions or events (part of promotion of products and services offered by the companies).

India has the potential to deliver to this segment of tourist. The need is to gear-up and develop the necessary infrastructure, the manpower and the services needed to make it an enduring and lasting experience for the tourist. This shall give India a repeat visit from the visitor and they will be our goodwill ambassador.

Keywords: India - Gearing- Up , Mice Tourism , World Focus , Business World .

1 INTRODUCTION

The abbreviation MICE, elaborated stands for Meeting, Incentives, Conferences and Exhibition/Event Industry. It is largely associated with the travel and tourism industry. Each subsection of MICE has different characteristics but as a whole they are referred as MICE tourism. It is a combination of trade, transport, finance and travel. This concept has been active over a century in Europe and America.

Meetings can be either formal or informal, where individuals assemble to debate over issues and problems and take decisions. Business corporates have the system of rewarding performance which is incentive. The incentives here come in the form of travel to popular destinations. Both conferences and conventions are events attended by several delegates to exchange information. Exhibitions are a showcasing of products and services to prospective buyers. Sometimes it could be an event in itself, a sporting event like the ICC Cricket World Cup.

The inbound MICE segment is growing at 15 to 20% annually, India ranks 27th in the Global Meetings market. According to International Congress & Convention Association (ICCA) statistics, around 4,00,000 conferences and exhibitions are held worldwide every year with a total outlay of US \$ 280 billion. The economic benefit according to The Global Association of the Exhibition Industry (UFI) output value has already reached US\$1.16 trillion (including US\$400 billion for conferences and US\$760 billion for exhibitions). India's inbound MICE segment is growing at the rate of 15-19 percentages annually and the convention-conference market is estimated at Rs. 4,000-5500 crores annually. It is estimated that a person travelling to a country for a conference or convention spends anywhere four to eight times more than a normal leisure traveler.

III. INDIA AS A DESTINATION FOR MICE

Developing MICE tourism should be done with focus and care. For attracting clients it is essential

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to have in place a proper team with relevant airline, hotels, transport companies, cultural origination, boutiques and the travel agents.

India is one of the fastest growing destinations for MICE Tourism. We have the modern advantage of advance technology and facilities clubbed with natural beauty, rich cultural heritage and warm hospitality. It offers exotic holidays combined with unique conference destination with international business.

The major industries making use of the convention and conference facilities in India are the automobile, IT, pharmaceutical, publishing houses, doctors and engineering industries. India has been upgrading its infrastructure with world class accommodation facilities and conference support facilities in place. Adding new centers of information technology, convention centers, hotels, and meeting facilities along with elaborate network of surface transportation is supporting attracting MICE tourism. India has an advantage that the educated manpower is fluent in English and other international languages.

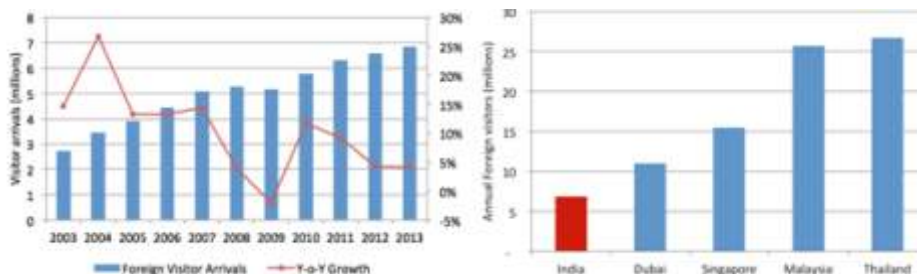
MICE TOURISM



IV. INDIA'S PERFORMANCE IN TOURISM SECTOR

Inbound tourism to India has increased at a robust rate of 9.6% per annum over the last decade, growing from 2.7 million in 2003 to 6.9 million in 2013. Growth was much faster in the first half of the period, spurred by the liberalization of market access for foreign carriers from 2003/04. Arrivals dipped briefly in 2009 in the aftermath of the Mumbai terror attacks and the impact of the economic slowdown in the key source markets of North America and Europe, but have since resumed growth, albeit at a slower rate.

Despite the steady growth, India's 6.9 million visitors represent just a fraction of the destination's potential, given its wealth of natural, historical and cultural attractions. And close to 30% of these arrivals were persons of Indian origin who were visiting friends and relatives. After excluding business travelers and others, the pure leisure and recreational tourist numbers are estimated at less than 2 million. Annual Foreign Visitors Arrivals in India 2003-2013



Source: CAPA – Centre for Aviation, Ministry of Tourism India

CAPA India Inbound Tourism Report identifies major and emerging market segments including corporate travel, MICE, VFR, group tours, independent travelers, pilgrims, seniors, single travelers, medical tourists and culinary tours. By way of comparison the city state of Singapore attracts more than

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twice as many tourist as the whole of India, while competing destinations such as Thailand and Malaysia receive in excess of 25 million visitors per annum.

INDIA'S SHARE IN WORLD TOURISM

Share of India in International tourist arrivals	0.58%
India's rank in World tourist arrivals	41
Share of India in International tourist receipts (FEE estimates of RBI)	1.24%
India's rank in World tourism receipts	22

Source: Ministry of Tourism, India

V. KEY PLAYERS TO ENSURE EFFECTIVE OPERATION WITHIN THE MICE INDUSTRY

- i. Associations:** Active associations with strong leadership to direct and develop path for growth.
- ii. Convention Centers:** A public/private assembly facility that is designed to host meetings and exhibits under one roof which also provides banquet, F&B and concession service.
- iii. Tour operators:** The operators should be influential in associating hotels, transport companies and other suppliers to organize and arrange tours without hindrance.
- iv. Hotels:** Top class accommodation to be provided to the participants and also supplement with meeting and convention facilities on a smaller scale.
- v. Convention & visitor bureaus:** They are the organizations designed to solicit visitors and conventions for the community. They should be able to help coordinate all activities surrounding meetings and convention including marketing the destinations and providing necessary information.

VI. TOP TEN DESTINATIONS THAT HAVE POTENTIAL TO ATTRACT MICE TOURISM IN INDIA:

- i. DELHI:** The ancient monuments to excellent shopping options make business meeting and conference here an absolute pleasure. The Ashok's Convention Hall is a favorite venue along with Habitat World Convention Centre, Vigyan Bhawan and a number of hotels with excellent convention facilities including Taj Palace, Maurya Sheraton, Le Meridian, etc. Noida situated on the outskirts of New Delhi, has number of venues like The Delhi International Expo Centre and India Expo Centre in Greater Noida both have excellent world class facilities to enthrall the guests.
- ii. AGRA:** The city lures the tourist towards the splendourous Taj, The Jaypee Palace Hotel and Convention Centre well equipped with the state-of-the-art facilities, such as audio-visual recording, satellite uplink and multi lingual interpretation is a hit for meeting, convention and exhibitions.
- iii. JAIPUR:** The historic pink city of forts and palaces is emerging as one of the popular destination for MICE tourism. Hotel Jaipur Green is prominent with all the grandeur. With lot to offer for the tourist the Hawa Mahal, Amber Fort, City Palace, Jantar Mantar and the Jal Mahal, the tourist are bound to get lost in the bygone era.
- iv. BHUBANESHWAR:** Korea & Japan business partners have made investments in Orissa and are promoting to host their out of country board meeting or conventions at these convention centers.
- v. MUMBAI:** Mumbai is a key business hub and home to a number of national and international companies' regional headquarters. The city is well equipped with business hotels and convention centers to cater to business tourists. It is popular for shopping both mall shopping and street shopping and therefore attracts leisure tourists. The twin modern cities Aamby Valley and Lavasa Hill with state-of-the-art facilities for MICE Tourism are just three hours' drive away.
- vi. GOA:** Goa with its pristine beaches, state-of-the-art hotels across the state with audio-visual and logistic support clubbed with exciting theme party and night full of fun and entertainment is perhaps the perfect destination for MICE Tourism.
- vii. HYDERABAD:** IT hub in the South with numerous heritage monuments is a sophisticated business avenue. Hyderabad International Convention Centre – spread over 15 acres of landscape area and has a pillar- free hall measuring 6,480 sq mts, which can be partitioned into six halls. The center has already hosted a number of prestigious international and national meets in a short period of time and has been appreciated by the organizers
- viii. COCHIN** Rich with and emerald backwaters with its breathtaking beauty is an inevitable destination

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in business tourism itinerary. Le Meridian, Cochin boasts of a number of well-equipped conferences and banquet halls.

ix. CHENNAI: The long stretches of Marina Beach offers an unforgettable experience to all tourists. The world class Chennai Convention Centre (CCC) with a banquet space ranging from 250 sq ft to 20,000 sq ft holding 22 to 2000 delegates at a time. The 67,000 sq ft of air-conditioned space and 75,000 sq ft of lawns offer plenty of space for conventions and other events.

x. BANGALORE: Known as Knowledge Hub with the best Management, IT and research institution in Science & technology, Global R & D center in Aerospace, Defence. Cosmopolitan city with English as popular language, excellent tourist attraction whether it is heritage, beaches, cuisine, culture, architecture, wildlife, adventure, religious and World – class Hotels & Service Apartments, alternative accommodation options

VII. CHALLENGES:

i. Trained Manpower: Availability of trained manpower is one of the major challenges faced by the travel and tourism industry in general. To sustain the future growth of MICE tourism industry there will be constant need for trained manpower at various levels-managerial, supervisory, skilled and semi-skilled. This can be addressed by encouraging the development of educational and training establishments that can enhance local employment prospects as well as the quality of service delivery.

ii. High Tax Structure: The industry is highly taxed; this makes India an expensive MICE tourist destination. Taxes including service tax, luxury tax, entertainment tax, sale tax, taxes on transportation and aviation turbine fuel are levied across the sector-on tour operators, transporters, airline industry, hotels etc. In addition, these tax rates tend to vary across different states in the country.

iii. Visa Restrictions: Visa restrictions are one of the key impediments to travel to India. Cumbersome process in acquiring Visa disdains the visitors. The visa-on-arrival scheme started in 2010 for 12 countries has not been popular as the visitors are required to line-up to submit their form which is frustrating. In 2013 only 20,294 tourists took advantage of this facility. Implementation of the electronic scheme on a broad scale is the key to the issue. There is a need to go electronic where application submission and issue of visa is online.

iv. Attracting Asian Market: Currently India is over-dependence on the North American and the European tourism market which at present is more than fifty percent. We need to develop and attract the Asian tourist markets. At sixteen percent Asia is the third largest source region for India. It is growing faster and there is tremendous potential in the future. By adding quality new tourist circuits like historical circuits, Buddhist circuits we will be able to attract more tourists from the Asian market for MICE.

VIII. CONCLUSION:

India is adopting the global way, where MICE is fast becoming a major part of its travel and promotional budgets. India is globally connected to 50 international airlines. With expansion of airline network operations connecting domestic routes and emergence of exiting new destinations, India is on the platter. Better surface transport systems including the railways with the state-of-the-art Shatabdi & Rajdhani Express, the luxurious tourist trains like Place-on-Wheel, Royal Orient Express, new centers of information technology, many convention and exhibition centers, luxury hotels and meeting facilities, topped with Indian hospitality, India is bound to become an important MICE destination.

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