

POSSIBILITIES OF THE ESCALATION OF THE MICE TOURISM IN UDAIPUR

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ABSTRACT

This study specially focuses on the possibilities to flourish the MICE tourism in Udaipur City. As Udaipur is one of the most popular tourist destination on world map, which has been acclaimed as **“the best tourist place in world”** by **“Travel and Leisure Magazine**. Udaipur is one of the fastest and dynamic cities of India and currently it is a favourite place to live and hold an important place for investment and growth in years to come. In recent years continuously the city is hosting the National and International exhibitions, conferences, meetings and royal weddings also. So, to observe all this opportunities it can be a hub for the MICE tourism.

MICE (Meeting, Incentive, Conventions & Exhibition) is one of the most innovative & demanding form of business tourism. Currently MICE tourism in India is having the annual growth 15 to 20 percent. To promote a city as MICE destination requires a good amount of infrastructural facilities. Government of India (2006) plans to develop few cities as MICE destination, Udaipur may be is also one of them. This paper tries to find out the present & future prospects of MICE tourism in Udaipur. For this an opinion survey of MICE stakeholders such service providers (which include hotels, travel agents) and MICE customers is done.

KEYWORDS: MICE, Opportunity, Udaipur, Destination

INTRODUCTION

Business tourism involves meetings, conferences and conventions where information is exchanged, lavish events are organized to launch new products, incentives travel is offered to motivate or reward staff, exhibitions are organized to promote corporations etc. This is popularly called meetings, incentives, conventions and exhibitions/ expositions or MICE tourism, the four most important aspects of business tourism.

MICE including small meetings, training courses, seminars and workshops have gained special significance as a type of tourism throughout the world. Many hotels, resorts and countries have developed facilities that are uniquely devoted to this form of tourism.

MICE has often been confused as mainstream business travel but the demarcation is now getting more defined as both corporate and service providers have begun realizing MICE significance and potential .MICE, a subset of business travel has become the buzzword in the travel industry. This was evident when the Indian Association of Tour Operators (IATO). Convention identified MICE tourism as the upcoming tourism product.

The MICE infrastructure in the country has been developed rapidly and convention hotels and conference venues of international standards are being set up in cities across the country. With the two corresponding expansion in the network of airline operations, and other infrastructure support, India is ready to position and market itself as an important MICE destination.

Pragati Maidan, New Delhi is a major exhibition centre. It hosts one of the largest annual domestic fairs – the Indian International Trade Fair in the month of November.

India ranks a distant 28 in the MICE chart and gets just 0.92 per cent of the total 10,000 conferences and meetings held globally every year.(National Action Plan,1992) This is due to the simple reason that there is little infrastructure to cater to MICE traffic. The decision makers of international conferences will not select a venue on the basis of a country's scenic beauty, cultural heritage or wildlife. An event planner looks for meeting facilities, accommodation, world class airports, connectivity, transportation facilities and competitive prices. Day trips and sightseeing can also be offered as incentives to MICE tourist as additional so that they may also come back as repeat visitors and bring their families along.

MICE travelers expect a high level of comfort, hassle free movement and value for money experience and feedback from colleagues in the industry.

There is essential to form a proper team with Airlines, Hotels, Transport People, Cultural organizations, boutiques and reach to the target markets MNC's who have MICE business clients and showcase the products. Direct marketing pays more result than just advertisements. Mice promoters generally target banks, automobiles & aviation industry, consumer durables construction organization, Rail bodies, pharmaceuticals, departmental store chains, and I.T companies- They have year round MICE business to offer. Reach with competitive packages for business travelers & reach major cities is the success norms.(National Action Plan, 1992)

Many countries have developed MICE as their primary activity of tourism interest. Countries such as Singapore, Thailand, South Korea, South Africa, Malaysia, New Zealand, Australia, Spain, and even Nepal etc, are trying to promote themselves as MICE destinations. Similarly places like Dubai are projecting as major exhibition and event centers.

Planning for MICE requires a lot of coordination. The areas that require a special planning for MICE are as follows -:

Venue

There should be enough space for international delegations to hold meetings, conventions and exhibitions.

Transport

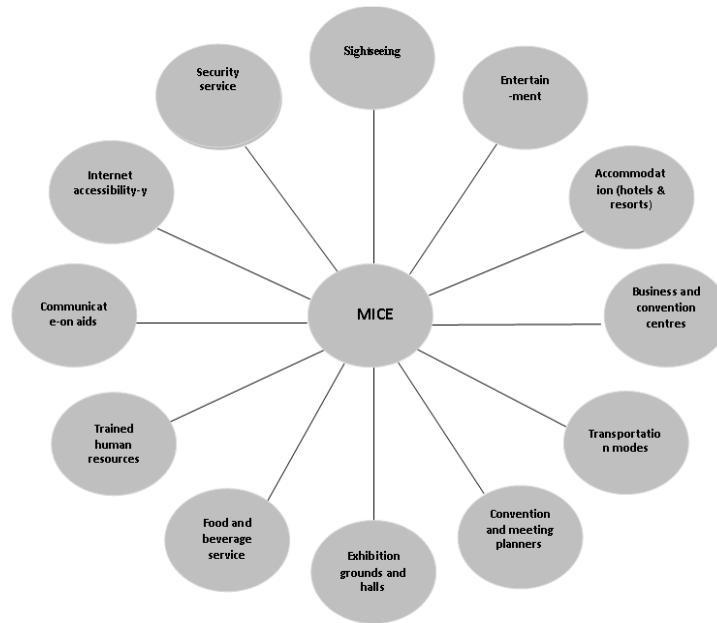
Air and ground transport.

Accommodation

Preferably near their meeting/conference /exhibition venues and should be equipped with fax machines, laptop providing internet connections, telex, videoconferencing facilities etc.

Other Support Services

Catering, shopping and entertainment.



Source: Roday ,Biwal, Joshi, Tourism Operations And Management, ch3, page 56

Figure 1

The facilities which are required for the MICE, all are available in Udaipur like, air connectivity, Road connectivity, space for the conventions and exhibitions eg. Gandhi Ground, Fateh memorial ground, 5 star hotels, sight scenes, shopping mall and so on.

Objective of the Study

To study opinion of MICE service providers (hotels & travel agencies, airlines, transport/car rental companies, event management companies) & customers on present and future prospects of MICE tourism in Udaipur.

Contribution of MICE to the Destination

Higher Expenditure: A business traveller spends more money compare to tourist.

Demand Period Occurs on Low Seasons: The business traveller help the city to taking up empty rooms of hotels in off season. Because the main purpose of the traveller to attend a MICE event they don't care about peak season or offseason.

Enhance Secondary Business: Many suppliers are needed for MICE event. Both setup company and decoration experts are necessary for the event. Entertainment agencies are needed for incentives travel parties.

Improve host city name – The city which hold MICE event can give traveller a professional image.

Using facilities for other purpose – MICE events can make use of existing facilities that may originally have other purpose. Eg. Universities.

Research Methodology

Primary data is collection through preparation of specifically designed questionnaire consisting of various aspects of MICE segments and also through conducting various interviews and discussion with hoteliers and travel agents and event managers.

Advantage and Disadvantage from MICE

Advantages	Disadvantages
Direct	Direct
Local government/private sector investment	High development cost
Increased employment	High carrying cost
High level of delegate spending	High operation cost
Indirect	Indirect
Economic gains to the local community	Losses in operation
Impact on occupancy hotel bookings	Infrastructure cost
Enhanced urban image	High debt service
Redevelopment of blighted areas	Loss of property tax

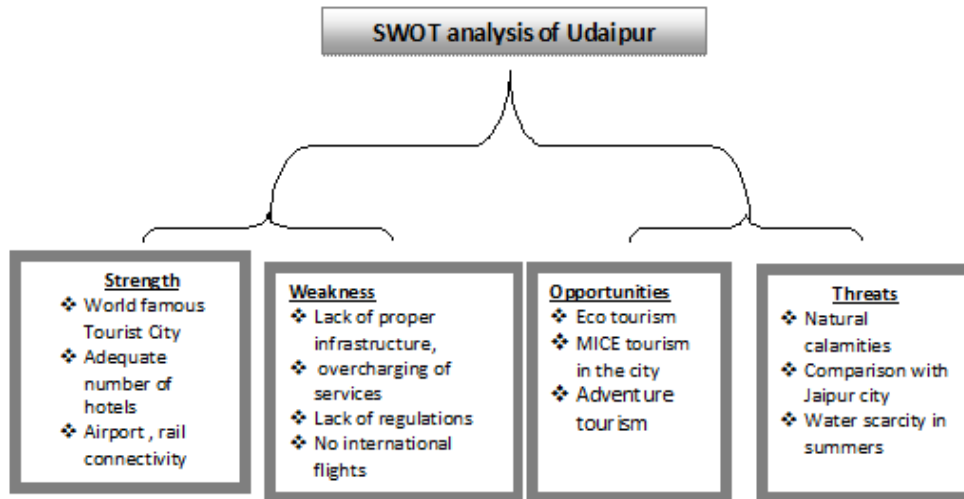


Figure 2

Udaipur offers an educated manpower base where fluency in English and other official international languages can be expected. A large number of Convention Centre’s are available in Udaipur with a seating capacity of up to 1500 persons. Some important hotel chains like the Taj Group, Leela Kempinskiy, the Oberoi’s, Sheraton, Ramada Hotels, Inder Residency etc. also have excellent conference facilities with exhibition centers like Lok kala Mandir.

Udaipur is well connected to a network of over 5 airlines daily to Delhi and Mumbai , which provide convenient connectivity with both the metro city’s. An excellent network of roads, national and state highways, luxury coaches, Indian & foreign-made vehicles add to the convenience and comfort of surface travel. There is an excellent Railway system running through the major stations. Special trains like Palace on Wheels and Royal Rajasthan on Wheels, Maharaja Express, comprising of air-conditioned saloons decorated in the old Maharaja style offer guests a chance to stay on the train and visit City of Lakes.

Day by day tourist ratio is decreasing, that’s why hoteliers’ and travel agents prefer to deal and focus on MICE activity to run their business and they get good profit compare to that.

Over the last two years the number of hotels rooms has almost doubled. On the other hand tourism has grown only 15%. This is creating a big gap in the demand and supply chain. In the longer run only MICE can help these hotels survive.” MICE has opened out as a segment with a strong multiple effect for the economy. (The Economic Times, 2008)

Udaipur has all ingredients to pitch on meetings, incentive, conference, exhibition (MICE) tourism. MICE is basically a new concept altogether and can be rated as the new form of business tourism. It is one of the fastest growing segments of international tourism market. MICE tourism paves way to fine mix of business meetings, international conferences & convention and events and exhibition. With growing demand and growth this new concept is gradually but

progressively getting every big hotelier attention.

CONCLUSIONS

The advantage of promoting MICE tourism is enormous as it is estimated that each delegate to a conference on an average spent 2.5 to 4 times more than leisure traveller, there is a scope for existing hotels and resorts to position themselves effectively as MICE destinations.

It will definitely generate the employment and contributes in economic growth of the city as well as nation. It also generates the demand in off- season which helps in revenue generation.

The Udaipur holds a great potential to emerge as future MICE destination of India. The government should take initiative to promote MICE for economic significance.

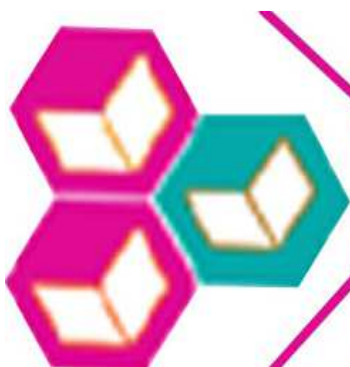
Suggestion

The following suggestion can be made for MICE tourism service providers like hotels and travel agencies.

- Infrastructure development in Udaipur
- Tax rebate to convention and conference hotels which have more than 150 rooms
- Develop more activities, parks, adventure sports in Udaipur.
- The city administration and department of tourism should develop strategies to market Udaipur as MICE destination.
- Expansion of Udaipur Airport as International Airport.
- Increment in number of domestic flights from Udaipur and connectivity to more destinations.

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