SELECTING BEST VENUE FOR MICE AND POLICY IMPLICATION IN INDONESIA

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ABSTRACT

Indonesia already has standards in the development of MICE destinations which are a reference for districts/cities, namely Regulation of the Minister of Tourism Number 5 of 2017. In this regulation there are four variables which have a number of comprehensive indicators which are the requirements for how to create ideal MICE tourist destinations. However, before this regulation was released, many empirical studies had been carried out by world researchers which resulted in several criteria which were then included in existing policies in Indonesia. Using the semi-systematic review method, it can be underlined that in general the number of studies conducted can be grouped into four variables, namely 1) Services including accessibility, HR, and all forms of services 2) Facilities such as accommodation and convention facilities 3) Amenities of supporting facilities such as shopping centers, banking services, and tourist information 4) Attractions, which consist of interesting places, entertainment, recreation, and tourist attractions. These four things later became the fundamental basis for the development of MICE destinations in Indonesia as mandated by the Minister of Tourism Regulation No. 5 Year 2017

INTRODUCTION

The following are instructions for writing in the JURNAL KEPARIWISATAAN. The author is fully responsible for the contents of the manuscript written. The contents of the manuscript are the author's original work that has never been published in other print or online media. [Cambria, 11, normal]

MICE (Meeting, Incentive, Conference/Convention, Exhibition) generally has been defined as an industry that organizes meetings which include various events and activities gathering a group of people, managed professionally to produce a number of values, benefits, and achieve certain goals (Giao & Son, 2018). The MICE segment consists of company executives, government officials, businesspeople, association members, and students. The MICE business grows due to the growing needs of the business world which requires people or companies to continue to meet each other to discuss various issues, trends, problems, and dynamic market movements. ICCA (International Congress and Convention Association) recorded until the end of 2017 there were 12,558 meetings, an increase of 346 meetings compared to 2016. This number is the highest annual record that has ever existed in the last few years recorded by all ICCA members of 168 countries. A few MICE business advantages have made this industry a leading business in various countries in the world as a high-income contributor (Cristina Bernini et al., 2021; Setyawan, 2018; Trisic & Bojović, 2018). Some of the advantages of MICE are the ability to spend up to six times compared to ordinary tourism, its massive nature because it is able to bring in large numbers of visits at just one event, its ability to move the tourism sector, and its resilience to crises makes MICE an industry that is quite promising economically (UNWTO, 2019). According to UFI The Global Association of Exhibition Industry in 2022 MICE has an economic value of USD 1,563.29 billion with an average annual growth of 7.5% and spending reaching USD 280 Million, MICE promise extraordinary economic value.

According to the ICCA database in 2018 the world MICE industry is highly dominated by countries in the US (941 events) and Europe (Germany (682 events), UK (592 events), Spain (564 events), Italy (515 events)) both from in terms of the number of events and the number of delegates present. In the next ranking after the US and Europe are countries in the Asian Region such as Japan (414), China (376 events), and the Republic of Korea (279 events). At the city level, Paris, Vienna, Berlin, London, Barcelona, Singapore, Madrid, Lisbon, Seoul, and Prague are 10 destinations that are in great demand by delegates as hosts of events (ICCA, 2020). Seeing the enthusiasm of the delegation's interest in these countries, of course there are factors that influence destinations that cause people to be interested in always being involved in MICE activities in these places. In several studies a person's interest in a destination is strongly influenced by destination image. The image is formed by several attractions from the destination both in terms of things that appear physically such as infrastructure, tourist objects, tourist facilities, climate and non-physical aspects such as hospitality and service quality. (Castillo-Villar, 2019; Ianeva & Georgieva, 2021; Weru & Njoroghe, 2021)

In some cases, it is true that the choice of destinations for MICE organizers is not always directly related to the attractiveness of a destination or image but rather due to political interests, a periodic rotation system, or direct appointment. The interesting thing is to find the reasons why a destination is attractive as a MICE destination, so that these factors can then be used for the benefit of stakeholders in MICE development activities.

Responding to the dynamic development of MICE, of course Indonesia is also trying to behave by continuously increasing its competitiveness as a MICE destination. The Indonesian government is seizing MICE growth opportunities by preparing several regions so that they have infrastructure readiness to become MICE destinations. Even though the MICE business competition is very tight in ASEAN, the government is trying to prepare 14 destinations as MICE destinations (Medan, Padang, Batam, Jakarta, Solo, Yogyakarta, Surabaya, Bali, Makassar, Manado, Palembang, Mataram, Balikpapan and Bandung). The preparation of these areas certainly considers various factors and ideal criteria for MICE destinations both in concept and regulation. However, Indonesia certainly hopes that many other values will result from MICE besides the economic aspect, such as Indonesia's diplomatic position towards the international community, the impact on expanding promotion and increasing awareness of destination image, investment and other collaborations.

In the ranking released by ICCA in 2018 it was said that Indonesia was ranked 40th in the world with 89 events, the estimated number of delegates reached 32,628. On a city scale, only Bali is included in the ranking list for MICE destinations, and even then, it is in 62nd place out of a total of 133 cities that are ranked. In this case, Bali is still ranked lower than Singapore (6th), Kuala Lumpur (14th) and Bangkok (19th), meaning that Bali has tough competition within cities in Southeast Asia.

The most important thing in this case is what exactly are the criteria for a destination to become the best MICE destination, not only in the view of potential delegates but also MICE planners. The rankings made by the ICCA are based on the number of delegations and number of meetings held, so the criteria in the selection and selection of MICE locations are derived from a few empirical research carried out over the past few decades.

This research aims: 1) to examine what are the criteria for a best MICE destination 2) see the implications of the policies that apply in Indonesia in making guiding to prepare all the regions able to prepare themselves to become MICE destinations and fulfilled the best criteria.

MATERIALS AND METHODS

This research is a review from previous studies and research which is relevant to the research subject. In this case, the subject matter is the various criteria for a MICE destination. Review methodologies known in research are divided into three types: 1) systematic review model for quantitative research, 2) semi-systematic review for qualitative/quantitative research by reviewing the results of earlier studies, and 3) integrative review for qualitative research types. with the aim of producing a taxonomy and a theoretical model (Snyder, 2019). The type of method chosen for this research is a semi-systematic type which is carried out by exploring the results of research that has existed or related policies. The reason for choosing this type of method is because the material reviewed consists of qualitative and quantitative research

The steps to be taken in the systematic review method are (1) determining research objectives that lead to efforts to trace existing research results, (2) collecting related research articles, (3) conducting reviews, (4) writing results review in the form of tables or systematic narratives, (5) implementing the results of the research being conducted (Snyder, 2019). The results of the literature review will be useful in figuring out policies that are more comprehensive and balanced. In this research, the method is implemented by reviewing several studies that have been carried out and including the main points in a table with a simple narrative as an outline of the results. Then the summary results in the table will be compared with one another and matched with the policies in force in Indonesia.

RESULTS AND DISCUSSION

The policy on guidelines for organizing MICE destinations was released by the Indonesian government in 2017. When examined in detail, the contents also have the same variables as those that have been studied empirically in several earlier studies. This means that policies have been formulated with reference to empirical research formulations. It makes sense that to be able to develop MICE destinations requires a lot of requirements. However, not all regions understand the criteria for MICE

destinations, so that each destination can easily declare their area as a MICE destination. But the rule is not that simple.

It is hoped that this MICE Destination Guideline will provide understanding to the Government, Regional Governments and other stakeholders to create a destination that meets all the criteria and indicators of a MICE destination that is nationally and internationally competitive, so that the Minister needs to stipulate Guidelines for Destinations for Organizing Meetings, Incentive Travel, Conventions and Exhibition.

In general, the policy for developing MICE destinations in Indonesia adheres to four important things, namely 1) Accessibility, 2) Attraction, 3) Amenities, 4) Human resources of MICE & government support. In detail, each pillar is detailed in the following lists:

1) MICE Accessibilities
    a. International Airport
    b. Cost of Flight
    c. Flight Schedule
    d. Frequences of Flight
    e. Comfortably Transit
    f. Customs
    g. Immigration & Quarantine
    h. Airport Connectivity
2) MICE Attractions
    a. Meeting Facilities
        • Various of Venue
        • Capacity
        • Layout
        • Ambience
        • Services
        • Security
    b. Exhibition Facilities
        • Various of Venue
        • Capacity
        • Layout
        • Ambience
        • Services
        • Security
    c. Accommodation Facilities
        • Various of Accommodation
        • Capacity
        • Price
        • Service Quality
        • Security
    d. Interesting Places
        • Shopping Center
        • Restaurant
        • Entertainment
        • Tourism Attraction (Man Made, Nature, Culture)
        • Recreation
        • Business Opportunities
3) MICE Amenities
    a. Environment Situation
        • Infrastructure
        • Police
        • Tourist Information Center
        • Hospital
        • Money Changer
        • Bank
        • Information System
        • Cargo

- Transportation
- Hospitality
- Local Culture
- Price Standard

    b. Destination Image
- Security
- Destination Experience
- Reputation
- Social Politic Stability
- Economic Condition
- Cleanliness
- Risks
- Destination marketing

4) Human Resources of MICE & Government Support

    a. Professionalism of Human Resources of MICE
- PCO (Professional Congress/ Conference/ Convention Organizer)
- PEO (Professional Exhibition Organizer)
- DMC (Destination Management Company)
- EO (Event Organizer)
- Travel Agent
- Transportation Support
- Logistic and Freight Forwarder
- Vendor MICE
- Tourist Guide
- Publisher
- Catering
- Stand Contractor
- Art Culture Performance and Other Entertainment Show
- Airport authority
- MICE Education
- Airline

    b. Stakeholder Support
- Professional and Industry Association
- Destination Marketing Organization (DMO)
- Local Government

Based on the reviews related to the ideal criteria or factors for a MICE destination have the same variables and indicators. Material that has been figured out by Indonesia about the MICE policy has adopted several studies that have been conducted before. Although not all cities/regions in Indonesia have complete criteria as MICE destinations, at least several cities that have been prioritized by the government are relatively adequate to become MICE destinations. As well as Jakarta and Bali which were previously listed in the ranking of world-class MICE destinations released by ICCA in 2018.

In general, it cannot be found exactly which criteria are the best, but the variables and indicators mentioned in the review above are complementary. If it is to be grouped, it is generally divided into 1) Services which cover all forms of services such as accessibility, human resources, and all kinds of other services 2) Facilities such as accommodation and convention facilities 3) Amenities or supporting facilities such as shopping centers, banking services, and information tourism 4) Attraction which consists of interesting places, entertainment, recreation, and tourist objects.

For Indonesia, what is already in the Decree of the Minister of Tourism No. 5 of 2017 is very comprehensive, and very relevant to several studies on earlier empirical studies. It is very possible that in the future there will be added or reduced variables or indicators. In other studies, the variables and indicators for MICE destinations were also classified as push and pull factor groups (Su et al., 2020). Several other studies have associated it with destination image and competitiveness criteria (Weru & Njoroghe, 2021).

CONCLUSIONS AND SUGGESTION

Based on the review above, it can be concluded that there are quite a few requirements for a destination to be considered a MICE destination. Fundamentally, as stated in the Regulation of the Minister of Tourism No. 5 of 2017 there are four things namely 1) Qualified Human Resources in the field of MICE including the support of stakeholders in it, 1) Accessibility, 2) Attractions, 4) Amenities, and 4) Human Resources. All four variables are an absolute requirement for destination management, especially in Indonesia. The attributes attached to a destination as mentioned in the review above are elements that really need to be considered by all parties, especially local governments who want to position themselves as MICE destinations. Each variable and indicator can be tested or studied in future studies, either partially or comprehensively.

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