

CHAPTER 1

INTRODUCTION

1.1 Background

The conventions and exhibitions industry is rapidly emerging as one of the most important sectors not only within business travel but also in the whole tourism industry. In recognition of its importance, conference centers and congress halls are built around the world not only in the major cities and in capitals but also increasingly in secondary and tertiary cities and resort areas. It is being targeted by many countries in the Asia-Pacific region as the industry of the future, and one that attracts high-yield visitors (Huang, 2004). According to the statistics from Tourism Authority of Thailand (TAT), the growth of MICE tourists is increasing every year and the revenue derived from MICE activities accounts for 10 percent of overall tourism income or 3 times higher than that of the other types of the tourists.

Meetings, Incentives, Conventions and Exhibitions (MICE) industry in Thailand has emerged for more than 20 years by the cooperation of many agencies such as Thailand Incentive and Convention Association (TICA), Trade Exhibition Association Thailand (TEA) and some other medical associations that tried to draw meetings and seminars to be held in Thailand. These associations took the action with some help from the government, but had not yet set MICE as the corporate strategy.

At present, Thailand is considered as a major regional hub for the MICE industry. This is not only because of the modern convention/exhibition centers and 4-5 stars hotels that can accommodate large group meetings, but also the strong promotions and strategies by the government. The Thai government recently established the Thailand Convention and Exhibition Bureau (TCEB) to provide consultancy and advisory services as well as research and statistics to member companies. The TCEB is expected to help boost competitiveness through training courses and to coordinate the development of the MICE business with public and private agencies.

Nowadays, Thailand has competed among the developing and developed countries, and Thailand is gradually becoming one of the most attractive international trade and investment markets worldwide. Thailand is now the world's 18th largest destination in terms of the MICE market,

with about 34 international events compared to over 70 held in Singapore each year. Currently, Singapore is ranked third in the MICE market worldwide (The Nation News, 24 August 2004)

A major influence on the occupancy rates and impact of these convention and exhibition centers is their proximity to support facilities. They are therefore sited to provide delegates with easy access to accommodation and the potentially the city and central business district. (McCabe et al., 2000) According to the theories, MICE facilities are the most important factors for decision making because the convenience will lead tourists to make their decision easier.

The stakeholder satisfaction with convention and Exhibition centers in Bangkok, Thailand is necessary since it will help indicate the direction of the industry development. Therefore, this research study aims to examine the potential of convention and exhibition centers and the satisfaction of MICE tourists. The results from this research may be used as a guideline the current potential of MICE industry in Thailand and help recommend solutions and strategies to develop facilities so it can become more competitive.

1.2 Research objectives

According to the importance of this issue, the objectives of this research are:

1. To study the potential of Convention and Exhibition center in Bangkok.
2. To examine the level of satisfaction of the international MICE tourists with convention and exhibitions centers and its facilities in Bangkok.

1.3 Significance of study

The findings from this research can be used as a guideline to develop the Meeting, Incentive, Convention and Exhibition industry to be a major regional hub in order to boost the Thai's economy.

1.4 Scope and limitation of study

The limitation of this study is the time constraint has collected the data from the MICE's tourists. Data was collected during November 2005 until March 2006. Questionnaires were distributed to international participants, visitors and exhibitors in order to measure the satisfaction on MICE's facilities. Direct interview was adopted for the organizers to measure the satisfaction on MICE industry. The measurement criteria were developed from the theories of McCabe, Poole, Weeks and Leiper from the book named "The Business and Management of Convention" (2000).

The major focus of this research is on the international convention, associations meetings, corporate meetings and exhibitions, but not including the incentive group. The sample size for the targeted population was relatively small and selective. Three large venues which offered international services were selected to represent the MICE industry in Bangkok metropolitan areas; Queen Sirikit National Convention Center (QSNCC), Impact Muang Thong Thani (IMPACT) and Bangkok International Trade and Exhibition Centre (BITEC). This may not fully reflect the population at large.

1.5 Benefits of the research

1. To identify the potential of MICE facilities in Bangkok metropolitan areas.
2. Provide the guideline for government to improve MICE facilities in order to improve the competitiveness.

1.6 Definitions and Terms

1. MICE

Is one sector of tourism industry with activities of meetings, incentives, conventions and exhibitions.

M = Meetings, an event where the primary activity of the attendees is to attend educational sessions, participate in meetings/discussions, socialize, or attend other organized events. There is no exhibit component to this event.

I = Incentives, a travel reward given by companies to employees to stimulate productivity. An incentive also known as an incentive trip.

C = Conventions, Convention is an assembly of persons met for a common purpose. Conventions are often held annually, calling for more intensive planning organizes not only the business of the convention, but also an extensive social program.

E = Exhibitions, an event at which products and services are displayed. The primary activity of attendees is visiting exhibits on the show floor. These events focus primarily on business-to-business (B2B) relationships. Moreover exhibition can mean to display of products or promotional material for the purposes of public relations, sales and/or marketing.

2. Meeting, Incentive, Convention and Exhibition (MICE)'s facilities

A structure that is built installed or established to serve a MICE industry.

3. Satisfaction

A pleasant feeling which participants and organizers get when they receive something they wanted.

4. Bangkok Metropolitan areas

Bangkok is the capital city of Thailand and it was the largest city of Thailand. The urban sprawl of the greater Bangkok Metropolitan Area extends beyond the borders of Bangkok province, spilling into the neighboring provinces of Nonthaburi, Samut Prakan, Pathum Thani, Nakhon Pathom and Samut Sakhon.