

MICE: A New Paradigm for Tourism

Ni hao!
Apa kabar!

April 2014



中国旅游
China Tourism

National MICE Development

Basic understanding

An important contributor to national economies; a significant and growing component of tourism and other industries; three categories of meetings, exhibitions and incentive travels.

--Measuring the Economic Importance of the Meetings Industry (UNWTO)

National Conditions

- A big country with various landscapes, old civilization and rich resources
- stable political environment
- Hospitable people and Safe environment
- Reform and opening-up policy since 1978
- Fast and sound development of national economy
*7-8% per annum growth of GDP &
The 2nd largest economy in the world
- **Ever-strengthening international exchanges and cooperation**
Top 500; Canton Fair; UN, APEC, EU, AU, SCO, ASEAN;
Olympics, World Expo, Asian Games, **Youth Olympics 2014 (16-28 August, Nanjing)**
UNWTO, PATA, WTTC; **WTTC Global Summit 2014 (23-25 April, Hainan)**
Western Pacific Naval Symposium 2014 (22-23 April, Qingdao)

National MICE Development

- **Improving infrastructure** in mainland China

As of the end of 2012 :

Roads: 4,237,500 km-No.1 in the world , more than 66% paved.

Express way: 96,200 km; inland waterway: 125,000 km;

Rail way: over 100,000 km.

Star-rated hotels 14,000 (5-star: 700; 4-star: 2,500; hotel rooms: 1.5 million)

International hotel management groups: over 40.

Since 2005, the conference space for rent has been increasing 30% annually.

- **Tourism industry is growing stronger.**

The gross tourism receipts in 2013 reached 2.9 trillion RMB yuan (480 billion USD)
roughly→12% annual increase expected

highlighted goal: Strategic mainstay industry in the national economy;

Adjusting and upgrading of the industry towards quality → sustainable

- **Booming tourism market, esp. domestic and outbound travels**

In 2013, the total domestic visits were 3.25 billion; inbound overnight visits 55.7 million;
outbound visits 97.3 million→ 100 million in 2014; among the current international travels in
the world, the contribution of Chinese nationals has gone up to over 30%.



Some Important Files

- I . The Guidelines on Speeding-up the development of Tourism Industry (No. 41, 2009, State Council of the PRC) 《国务院关于加强加快发展旅游业的意见》
 - Enriching the varieties and supply of tourism products
 - Stimulating new hot spots of tourism consumption
 - Improving tourism service
- II . The Guidelines on Tourism Promotion under the New Situations (November 2012, CNTA) 《国家旅游局关于做好新形势下旅游宣传推广工作的意见》
 - more market-oriented products and promotion
 - More attention on developing products of business travel and MICE
- III. Tourism Law of the PRC (April 2013) 《旅游法》
 - Ensure the sound and sustainable development of tourism industry
 - Masterplan the tourism products and promotion for the county
 - Tourism market to be ruled by law
 - Good news for MICE ☺*
- IV. Supporting measures by local governments at various levels, esp. provincial / municipal.
 - MICE fund is allocated in some cities, e. g. Chengdu, Xiamen, Hangzhou, Guiyang, etc.

Status Quo of MICE in China

Speedy development, esp. in recent years

1. Both supply and demand of MICE are expanding quickly.

In 2011, a total of 302 international conventions and conferences were held in mainland China, taking up 16% in the Asian and Pacific region (no.1 in this region and no. 8 globally, **International Congress and Convention Association--ICCA**).

Case of Shanghai: “Being the economic hub of the Chinese resurgence, Shanghai ranks high as a convention destination. According to ICCA 2005 estimates, for the future (2006-17) number of meetings, China ranks 10th in the world and Shanghai ranks 30th in the world, along with Brussels.

--India as a Global Conventions Destination Prospects & Strategies (2006)

Case of Beijing

In 2011, Beijing hosted 111 inter'l meetings/conventions, only next to Singapore in Asia.

In November 2011, a Meeting Professionals Alliance was founded by Dongcheng Dist.

Its strategic goal: Capital of International Conventions and Exhibitions.

In 2012, Beijing Convention & Visitors Bureau (BCVB) was established by Beijing Municipal Commission of Tourism Development.

2. Both domestic and outbound travels for MICE are growing quickly.

*In May 2011, Hangzhou MICE Tourism Association was founded.

*In November 2011, MICE Committee of China Association of Travel Services was set up.

*In September 2012, China MICE Cities Alliance was founded by 8 cities of Beijing, Shanghai, Tianjin, Chengdu, Hangzhou, Kunming, Sanya and Xi'an.

3. Worldwide attention



Status Quo of MICE in China

New Paradigm

An emerging area has just started up.

1. low percentage of MICE receipts

In US, MICE takes up 16% of the gross tourism receipts.

In many regions of China, even full of MICE resources, it is as low as less than 5%.

2. Imbalance between different regions

Coastal v. inland, east v. west, tie 1 cities v. tie 2 or 3 cities

3. Facing many problems and challenges

Tailed-made services, professional organizers, efficient channels for information promulgation, languages barrier, appropriate branding at home and abroad, etc.

MICE Destination Marketing (CNTA)

- Themes: Olympic, World Expo, Cultural, Eco, Marine... → Beautiful China campaign since Feb 2014
- Products: Silk Road, world heritages, Yangtze River, ethnic features, modern cities, rural life...
- promotion of China as a MICE destination
Heavy work ahead—national guidelines, collaboration between various market players, learn from foreign peers...

Top cities of MICE:

1. Beijing: www.visitbeijing.com.cn / 商旅会议 (luxury hotels)
 2. Shanghai: <http://www.meet-in-shanghai.net> /MICE
- As for our work in India:
 1. national → provincial / municipal
 2. Tie 1 cities → tier 2 cities, such as Changsha in Hunan Province, Wuhan in Hubei Province, Kunming in Yunnan Province, etc.

MICE Destination Marketing (CNTA)

- **General platforms:**

China International Tourism Mart (CITM)

Internationale Tourismus-Börse Berlin (ITB)

Moscow International Travel and Tourism (MITT)

Korea World Travel Fair (KOTFA)

JATA World Tourism Congress (JATA)

World Travel Market (WTM)

India: OTM, SATTE, ITM, IITM...

Road shows of China tourism around the world

Fam tours to China

- **MICE Exhibitions:**

Asia pacific Incentive & Meetings Expo (AIME), Melbourne

The Worldwide Exhibition for Incentive Travel, Meetings and Events (IMEX),
Frankfurt

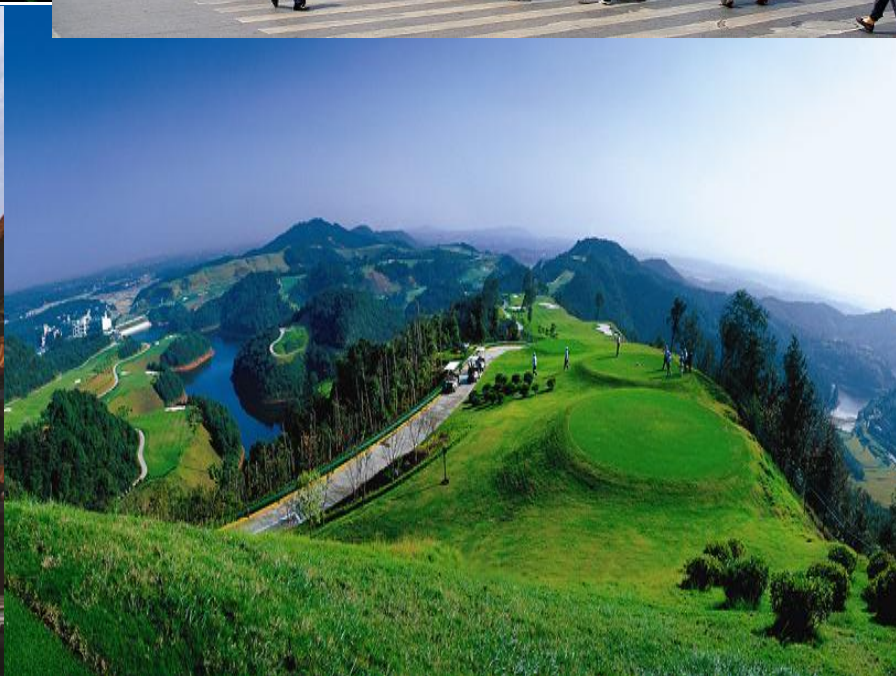
MICE exhibitions in India: vibrant, small-scale



Hunan as Example

- River + mountain + rich culture + modern infrastructure
- Convenient traffic links (air, river, high-speed train, express way)
- Capital: **Happy Changsha**
Leisure + MICE
 - ✓ the highest Happiness Index
 - ✓ over ten 5-star hotels
 - ✓ Foot massage
 - ✓ So many restaurants including 3000/5000-seater restaurants
 - ✓ Hunan International Convention & Exhibition Centre with over 30,000 sq. m exhibition area and various restaurants & hotel rooms...
 - ✓ NDTV episode of Hunan







MICE Capacity Building

- **Awareness and relative theories** on MICE: top-end tourism
- **Key players of Conventions :**
Hosts/organizers;
Destinations & venues;
professional convention organizer & Destination Management Company;
governmental supporting agencies
- **Upgrade the hardware and optimizing the facilities**
- **Learn from the other destinations**, e. g. Singapore, Europe, US; India
- **Enhance international exchanges and cooperation**
- **Education and training of MICE at institutes and universities**

In 2004, the speciality of MICE (bachelor degree) was started by Shanghai Normal University and Shanghai University of International Business and Economics (145 students).

In 2012, 2947 students majored in MICE at 54 institutes and Universities.

It is still far from enough!



THANK YOU

Welcome to Beautiful China!



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