

What are the opportunities for MICE tourism from Europe?

MICE tourism can contribute significantly to the development of a tourism destination. Europe is a large source market for MICE. Germany, the United Kingdom and France are especially interesting markets for MICE suppliers in Developing Countries. Small-scale meetings and incentive trips are the most promising segments. European MICE buyers want unique experiences that give them good value for money. Good quality, capacity, flexibility and professionalism are important.

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1. Product definition

The [International Association of Professional Congress Organisers \(IAPCO\)](#) defines MICE as:

- Meetings
- Incentives
- Conferences
- Exhibitions

The main purpose of MICE trips is business. Generally, they bring large groups together for a specific purpose. Other common terms are 'Meetings industry' or 'Events industry'. MICE is a sub-segment of business travel, but it can also involve a leisure component.

Developing MICE can have great advantages for a destination, such as:

- stimulating the tourism economy, especially in low season,
- developing of better tourism infrastructure,
- increasing tourism expenditure, MICE travellers generally spend more money than leisure travellers, in less time,
- converting MICE travellers into leisure travellers. MICE travellers can extend their stay, can be accompanied by their partner or can return with their family or friends.

Meetings

In meetings, groups of at least 10 people from corporate organisations come together in one place. This can be on an ad hoc basis or according to a set pattern. Examples are:

- annual meetings,
- board meetings,
- sales meetings,
- product launches,
- presentations,
- trainings.

Incentives

Incentives are corporate-sponsored trips for employees, distributors or clients. Unlike the other types of MICE, incentives are focused on leisure rather than business. Companies use them to:

- reward performance,
- motivate work effort,
- create company loyalty.

Conferences

Conferences are meetings where hundreds or thousands of people participate. These people share a common interest, such as their job or industry, culture, religion or hobby. They are often organised by industry or trade associations. Other MICE definitions may use the term congresses or conventions for similar meetings.

Exhibitions

Exhibitions are professionally organised events where products and services are displayed. They are a cost-effective way for buyers and sellers to meet. Most exhibitions take place annually, at the same location. They are usually organised by associations. Other MICE definitions may use the term events. However, this term can be misleading. Tourism related events often attract more leisure travellers than business/professional travellers. Think of the World Cup, the Olympics or Formula 1.

Most promising: Meetings and Incentives

Small and medium-sized tourism providers in Developing Countries generally have limited capacity. In that case, you cannot host very large conferences and exhibitions. This makes small-scale meetings and incentive trips for <50 people the most promising MICE segments. These trips account for around a third of all MICE events for European buyers. For larger-scale MICE, you need enough capacity and/or financial means to invest in MICE infrastructure.

Leisure tourism or MICE?

Leisure tourism and MICE share common infrastructure, such as airlines and hotels. However, they have different characteristics and requirements. Table 1 compares leisure tourism and MICE.

Table 1: Comparison of leisure tourism and MICE

	Leisure tourism	MICE
Audience	Consumers	Corporations and associations
Participants	Leisure travellers	Business travellers

	Leisure tourism	MICE
Audience	Consumers	Corporations and associations
Participants	Leisure travellers	Business travellers

Supply chain	<ul style="list-style-type: none"> • Inbound tour operators • Outbound tour operators • Travel agencies • Personal travel advisors • Online portals and travel agencies 	<ul style="list-style-type: none"> • Business travel / MICE tour operators • Incentive travel houses • Professional Congress Organisers (PCOs) • Exhibition/event management companies • Corporate travel agents • Destination Marketing Organisations (DMOs) • Convention bureaus
Products	<ul style="list-style-type: none"> • Accommodation • Attractions • Tours • Excursions • Transportation • Restaurants • Shopping 	<ul style="list-style-type: none"> • Accommodation • Meeting facilities • Special venues, e.g. sporting venues or museums • Technology • Transportation • Catering • Entertainment
Motivators	<ul style="list-style-type: none"> • Destination appeal • Fun/self-actualisation 	<ul style="list-style-type: none"> • Infrastructure and capacity • Professional development

Tips:

Specialise in either leisure tourism or MICE.

Join forces with other tourism stakeholders in your region to lobby with local governments. To specialise in MICE you need their long-term support. Local governments have to invest in:

- infrastructure,
- capacity building,
- marketing and branding.

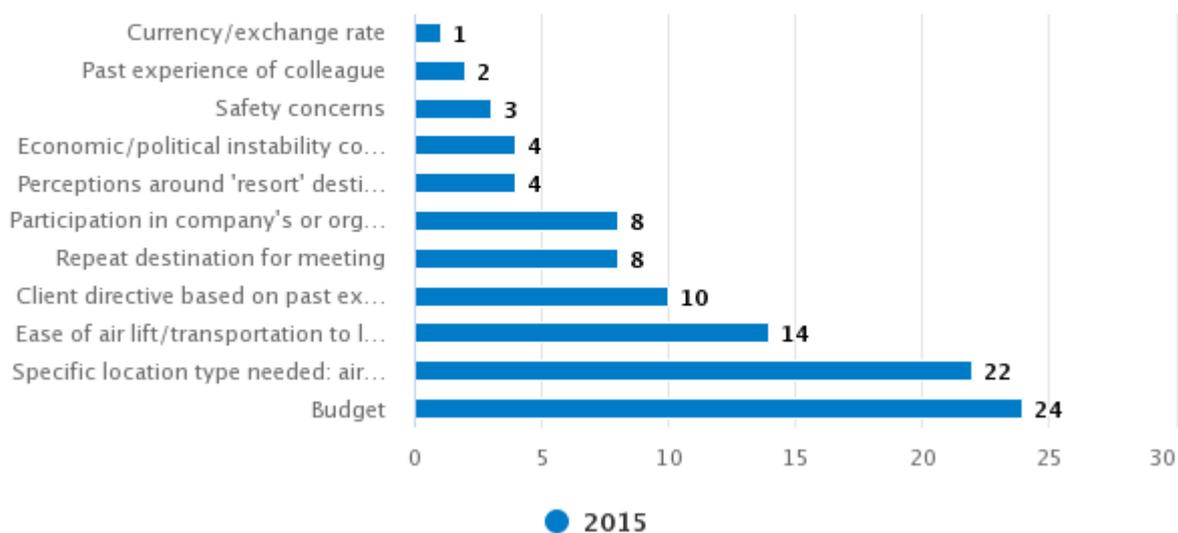
Product requirements

Product requirements are aspects of the MICE product that European MICE buyers find especially important. They come with tips on how tourism providers in developing countries can meet these requirements.

MICE buyers have different ideas of what is most important during their stay. However, there are some general factors they use to choose a MICE destination and venue.

Figure 1: Top factors influencing meeting location for business travel by European buyers 2015

In %



Source: American Express Meetings & Events Key Supplier Survey

Source: American Express Meetings & Events Key Supplier Survey

Location

Location requirements differ per buyer and MICE segment. They include for example:

- distance and connectivity,
- destination image,
- authenticity,

- climate,
- safety,
- leisure options.

Tips:

You need good marketing to create a unique identity and destination image. Focus your marketing on the unique features of your location. It has to make you stand out from competitors.

Form partnerships with local DMOs, tourist boards and other MICE suppliers. Develop joint marketing activities, such as destination branding campaigns.

Research the product offering, quality and price of successful MICE destinations. Use what you learn for your own destination and/or product.

Quality

In MICE, quality is even more important than in leisure tourism. Business travellers generally have higher expectations. European MICE buyers require high quality in all areas, such as:

- a high level of customer service,
- safe and comfortable transport,
- clean and comfortable accommodation,
- good catering,
- meeting facilities with good Internet access and Wi-Fi.

Tips:

To compete in the MICE industry you must be professional. Focus on providing high quality services:

- train your staff in hospitality,
- work with reliable partners,
- offer additional services.

Value for money

To European MICE buyers, value for money is more important than price. They are not necessarily looking for an exotic or unknown destination. Their destination and/or venue should offer unique experiences and creative MICE programmes at reasonable cost.

Tips:

Develop creative and unique programmes for incentives and for before and after meetings.

Know your customer. Use their information to tailor your MICE offering. Ask potential customers for details about:

- their company,
- the objective of their MICE trip,

- the type of participants,
- their specific wishes.

Proactivity

European MICE buyers are quite demanding. They want flexible packages that suit their needs and budget. They also expect MICE suppliers to meet deadlines and contribute ideas. European buyers of MICE work with the very short lead times. MICE suppliers also need to be able to work with such schedules. The average lead-time of European MICE buyers is estimated at 7 weeks. This requires great flexibility from MICE organisers.

Tips:

Be clear about what you can offer, don't offer things you cannot live up to.

Provide clear information on capacity in your marketing.

Offer flexible and affordable MICE packages, with standard and optional components. Offer for example different types of accommodation, meeting facilities or activities before and after meetings.

Experienced ground handlers

European MICE buyers require qualified ground handlers that know and understand the MICE market. For instance:

- Destination Management Organisations (DMOs),
- Professional Congress Organisers (PCOs),
- Transport operators.

They strongly prefer full service suppliers. This means they can hand over the entire land arrangements to one single party. These suppliers can subcontract some activities, but it should be a 'one stop shop' for the buyer.

Tips:

Make sure you have a reliable and consistent network of local suppliers.

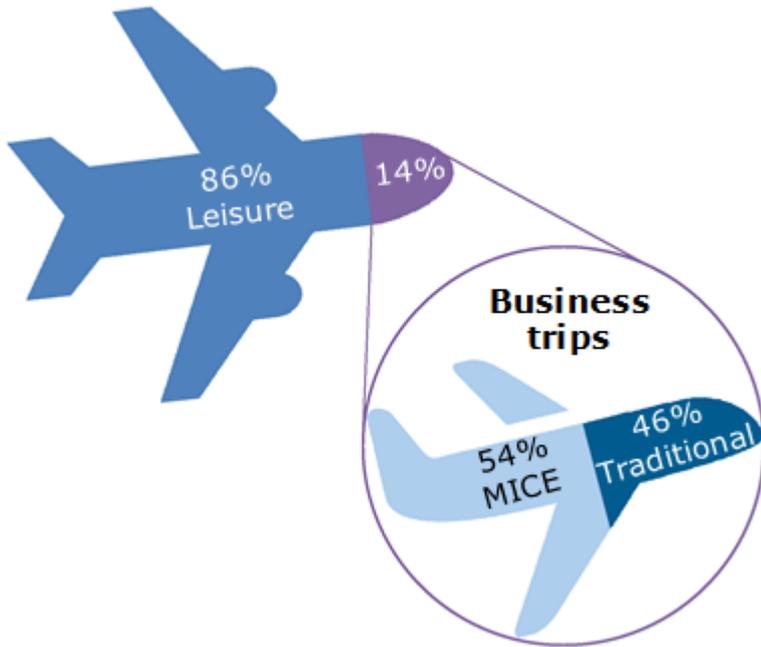
Emphasise your experience in MICE in your marketing.

2. Which European markets offer opportunities for MICE?

European spending on MICE is increasing

During the economic crisis, corporate profits fell in most European countries. Many companies cut their spending MICE. But times have changed for the better. According to American Express, European buyers expect an increase in all MICE related activities for 2016. They expect the overall MICE spending of European companies to increase by 1.8%. This is more than Central and South America (1.4%), and comparable to North America (1.9%).

Figure 2: World international tourist arrivals



Source: UNWTO and IPK International

The share of MICE within business travel was estimated at 54% in 2014. Experts from ITB Berlin expect this share to increase slightly. This is also because technological solutions like video conferencing make traditional business trips redundant.

Tip:

Be competitive in your pricing and add value by being creative and flexible in your product offering.

Five most interesting source markets

Table 2: International outbound business travel spending growth in most promising European source markets, 2016 and 2017, in %

	2016	2017
Germany	9.8	9.5
United Kingdom	9.8	8.9
France	5.6	6.1
Spain	4.7	7.9
Italy	8.4	4.4

Source: Global Business Travel Association

Germany, the United Kingdom, France, Spain and Italy represent 70% of the European business travel market according to the Global Business Travel Association (GBTA). They are also among the top European markets for MICE. Together they are projected to spend €187 billion in 2016, an increase of 6.3% from 2015. For 2017, this market is expected to increase with another 6.8% to almost €200 billion. This makes these countries especially interesting source markets for your MICE products.

Cost per attendee rises across all markets and MICE types

Table 3: Cost per attendee (excluding air costs), in Euro

Meeting type	EMEA*	United Kingdom	Germany	France	Benelux
Sales/Marketing	301	383	301	134	299
Training	291	330	251	446	360
Internal Team Meeting	285	290	207	223	360
Product launch	358	384	375	89	389
Conferences/Trade shows	491	461	368	554	633
Senior Leadership/Board Meeting	385	570	457	134	288
Advisory Board	288	357	375	163	142
Incentive/Special Events	491	485	606	410	424

Source: American Express Meeting & Events European Survey, august 2015

* EMEA = Europe, the Middle East and Africa

European companies' MICE budgets are growing. They recognise the importance of meetings for the overall success of their business. Spending varies per country and per meeting type (Table 3). This means opportunities are increasing. Your most promising target market depends on the type of MICE product you can offer.

Tips:

Choose two or three European countries to focus on. Make your decision by combining the information in this study with your own experience in your potential target market(s).

Check which countries have cheap (direct) flights to your destination, for instance at [Skyscanner](#). As MICE buyers prefer cheap connections, this gives you a competitive advantage in those countries.

Main MICE destinations are within Europe

Europe is the preferred region for European MICE buyers, due to its proximity and connectivity. According to the International Congress and Convention Association (ICCA), the most popular destinations are Germany, Spain and the United Kingdom. However, European MICE buyers also organise MICE in regions outside Europe. According to IBTM:

- 43% also organises MICE in the Americas,
- 35% in Asia,
- 32% in the Middle East,
- 19% in Africa,
- 9.0% in Australia Pacific.

For more information, see [What is the demand for tourism services in developing countries?](#).

3. What trends offer opportunities on the European market for MICE?

Combine MICE with technology trends

There is a trend in 'hybrid events'. These combine a traditional physical event with online participation and online presentations. This is helpful for participants with economic, geographical, political, connectivity limitations or strong disabilities.

The coming years will see several technological trends that are very suitable for the MICE industry:

- QR codes: These offer guests and event planners increased convenience by quickly and easily registering or checking in guests.
- Event apps: A dedicated app for conference attendees has become a key trend in MICE. These apps allow users to download presentations, view speakers' bios and connect with other attendees.
- Video conferencing: This is already quite common in the MICE market. Popular options are Citrix GoToMeeting and Click Meeting.
- 360-degree content recording: This technique enables live-action content, viewable in 2D and 3D. It allows users to interact with a simulated world in a physical way.

Connecting MICE and social media

MICE events increasingly connect with social media platforms. These can be general platforms, or specific ones created especially for the event. Social media platforms can help MICE buyers and participants to connect, interact and share knowledge. Not only after the event, but also before and during. This creates a much wider impact of the event, over a longer period of time. Communication technologies and social media remain important for the development of MICE in the future.

Tips:

Use social media platforms for your MICE events.

Create custom hashtags for you event. Speakers' quotes, photos & experiences can be shared online across social platforms in real time.

Widely available high-speed internet access is extremely important.

Stay up-to-date with new and emerging technologies that could add value to MICE.

Experience tourism

Like in leisure tourism, in the coming years experiences are becoming increasingly important in the MICE industry. MICE travellers demand more added value from their MICE events. Enriching experiences and activities are becoming more important to them than the functionality of accommodations and venues. Wellness related activities are an important trend for the Incentive market. They are also a popular addition to other business meetings.

Tips:

- Offer a variety of interesting experiences and activities for MICE travellers.
- Emphasise these experiences in your marketing.

More non-traditional properties

Meeting spaces are changing from traditional 'boardroom' styles to innovative approaches. European MICE planners are increasingly interested in non-traditional venues as locations. For example outdoor venues, sporting venues, museums or aquariums. As non-traditional venues are especially popular with [Generation Y](#), this trend seems to be here to stay.

Tip:

- Be creative and innovative in your MICE venue offerings. Try to come up with unique, unusual locations.

Combining incentives and meetings

Many European corporations offer incentive trips to motivate their employees, distributors or clients because. These trips are mostly recreational, but increasingly include formal meeting components. This is because having a meeting may provide corporate tax benefits. It also offers additional value in terms of networking, communication, education and team building. This trend is expected to continue in the coming years.

Tip:

- Include optional meeting components in your incentive programmes.

For more information, see [Which trends offer opportunities on the European tourism market?](#).

4. What requirements should your MICE product comply with to be allowed on the European market?

For general tourism requirements, see [What requirements should my services comply with to attract European tourists?](#). In the MICE industry, sustainability can be especially important.

Sustainability

According to European MICE professionals, a sustainability policy demonstrates credibility and trustworthiness to clients. As a result, more and more MICE professionals add sustainability to their events, facilities and the products and services they supply. Many European companies have their own Corporate Social Responsibility (CSR) guidelines. These might even state that they only work with travel companies with a sustainability label.

Tips:

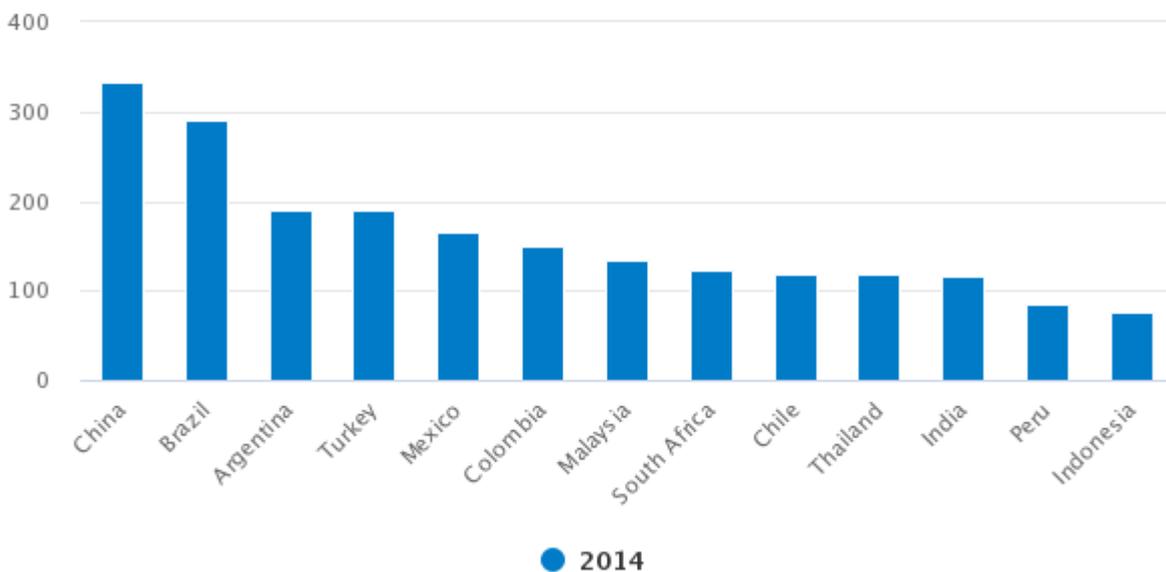
Integrate sustainability into your product and operations to show that you care. For example:

- sustainable design and architecture of venues,
- sustainable transport,
- support for local projects,
- efficient energy and water use,
- waste reduction and efficient waste management.

Use the [webinars](#) and [best practices](#) of the [Green Meetings Industry Council](#) to improve your sustainability.

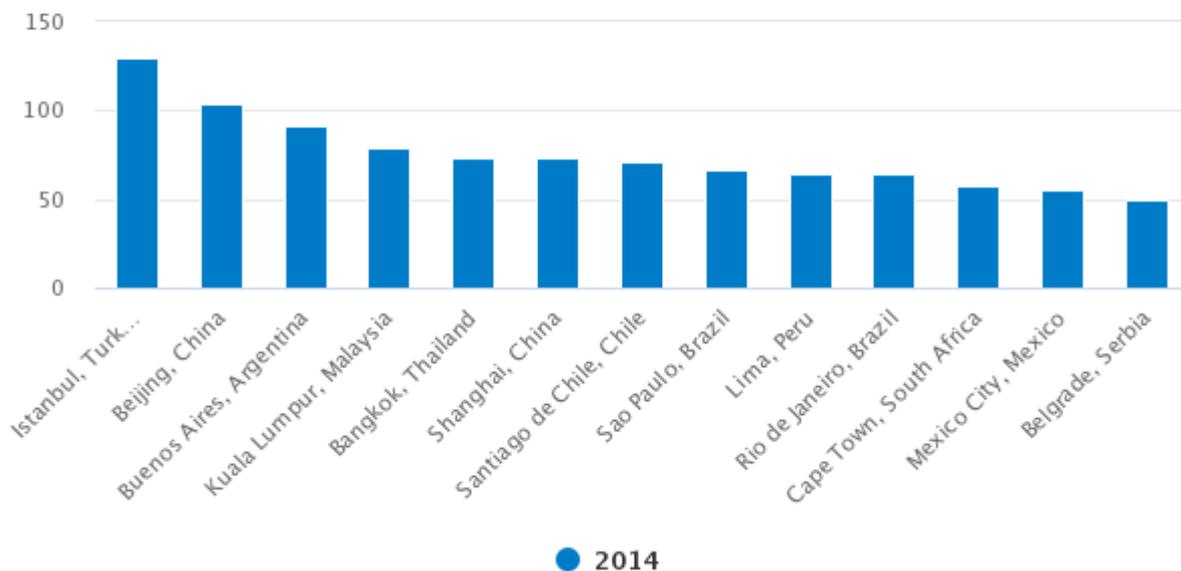
5. What competition do I face on the European market for MICE products?

Figure 3: Developing Countries with the highest number of international MICE activities 2014



Source: ICCA

Figure 4: Cities in Developing Countries with the highest number of international MICE activities 2014



Source: ICCA

Istanbul hosted more than 2/3 of Turkey's MICE activities. In China, Brazil and Argentina, MICE activities are more spread over several cities. It is noteworthy that the recent terrorist attacks in Turkey have a considerable effect on tourism, including MICE. In March 2016, the Turkish tourism industry reported a decrease in bookings of around 50% compared to 2015. This may represent opportunities for MICE providers elsewhere.

Tips:

Compare your destination and products to those of competing markets.

Clearly promote your destination's MICE opportunities. You can also join or develop a national or regional MICE portal. Some examples are:

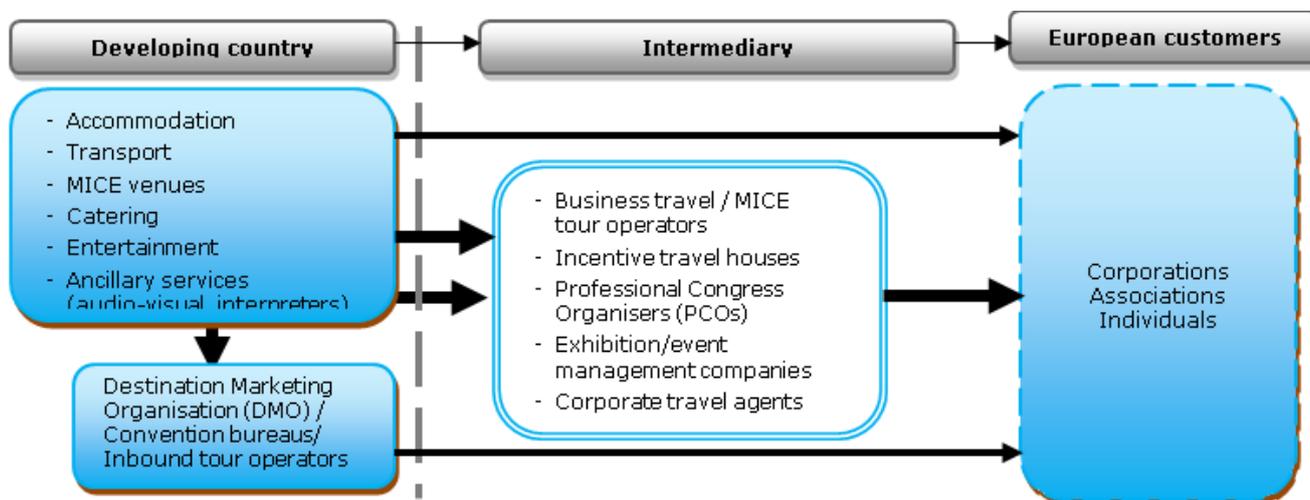
- [Business Events South Africa](#)
- [China Mice Now](#)
- [ProColombia Meetings](#)

6. Through what channels can you get your MICE products on the European market?

The two main trade channels for MICE suppliers are:

- intermediaries, such as MICE tour operators, incentive travel houses and smaller PCOs,
- a direct approach.

Figure 5: Trade structure MICE tourism



Focus on smaller MICE intermediaries

European corporations and associations usually don't have a special department to organise MICE. They often use professional MICE intermediaries. These intermediaries prefer to work with one local partner that selects a MICE package for them. This is usually a DMO or an inbound tour operator.

Tips:

DMOs and inbound tour operators in Developing Countries should target European MICE intermediaries.

DMOs and convention bureaus should attend European MICE trade events. This increases awareness and creates an image as a MICE destination.

MICE suppliers such as accommodation providers, transport operators and MICE venues should work with:

- local DMOs, convention bureaus and inbound tour operators,
- European MICE intermediaries.

You can search for European MICE intermediaries via trade associations, events and databases. Some examples are:

- [Business Travel Show](#) - annual business travel trade event, February, London.
- [ibtm world](#) - annual global meetings & event expo, November, Barcelona.
- [European Federation of the Associations of Professional Congress Organisers \(EFAPCO\)](#) - you can [search for members](#) by location.
- [IMEX](#) - annual meetings, events & incentive travel trade event, May, Frankfurt.
- [International Association of Professional Congress Organisers \(IAPCO\)](#) - you can [search for members](#) by location.
- [International Congress and Convention Association \(ICCA\)](#) - you can search their [Membership Directory](#). They also publish interesting reports and statistics.
- [ITB](#) - annual tourism trade event with a hall for business/MICE travel, March, Berlin.
- [Joint Meetings Industry Council \(JMIC\)](#) - you can browse their [member associations](#).
- [MICE Connect Bedouk](#) - annual MICE trade event, February, Paris.
- [Society of Incentive Travel Professionals \(SITE\)](#) - global network of incentive travel and

motivational event professionals.

Target smaller end customers directly

You can also target end customers directly, especially now the internet makes this easier. The two main end customers for MICE are:

- corporations,
- associations, such as trade associations, societies, religious organisations or political parties.

There is also a small group of individual business travellers who book their own MICE modules. Corporations represent around 65%, according to industry experts. Table 4 illustrates some differences between corporate and association buyers.

Table 4: Main characteristics of corporate and association buyers

Corporate buyers	Association buyers
<ul style="list-style-type: none">• Work for 'for profit' organisations	<ul style="list-style-type: none">• Usually work for 'non-profit' organisations
<ul style="list-style-type: none">• Small average meeting size (less than 100 people)	<ul style="list-style-type: none">• Larger average meeting size
<ul style="list-style-type: none">• Essentially organise meetings, incentives and simple, creative events	<ul style="list-style-type: none">• Usually organise conferences, congresses, exhibitions and sports events
<ul style="list-style-type: none">• Short time between the booking and the actual date of the MICE event	<ul style="list-style-type: none">• Long time between the booking and the actual date of the MICE event
<ul style="list-style-type: none">• Decision-making process is straightforward and rapid	<ul style="list-style-type: none">• Decision-making process is complex and prolonged
<ul style="list-style-type: none">• Organise a wide range of events	<ul style="list-style-type: none">• Organise a limited number of events
<ul style="list-style-type: none">• High per head costs	<ul style="list-style-type: none">• Lower per head costs
<ul style="list-style-type: none">• Shorter events throughout the year	<ul style="list-style-type: none">• Longer events mostly in spring and autumn

Source: Adapted from Swarbrooke and Horner

Tips:

Target smaller corporations that offer meetings and incentives for <50 people. Their smaller size events make them the most promising for MICE suppliers in Developing Countries.

Have a professional, high quality, well maintained website. Use quality photos and videos. This is a low cost way to present full, accurate and up-to-date details of your products.

You can also advertise in MICE magazines, such as [CIM](#) and [MICE-Contact](#).

7. What are the end-market prices for MICE products?

MICE planners have many destinations and types of venue to choose from. This makes MICE tourism a relatively price sensitive and competitive industry. The spending on a long haul MICE trip consists of three dimensions:

1. The exchange rate between the currencies of the country of origin and the destination country.
2. The costs of transport to and from the destination country.
3. The price of goods and services the traveller consumes in the destination country.

The average spending per attendee differs considerably per country and MICE type. You can read more about this in Table 3.

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