



## **The Role and Significance of MICE Tourism in Tourist Industry**

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**Abstract:** This article describes information about MICE tourism. It also shows its role and significance of MICE tourism in tourist industry. There are some figures depicting how it is very useful for developing economic life of people in the country.

**Keywords:** tourism, meeting, incentive, conference, exhibition.

### **Introduction**

MICE tourism (Meetings, Incentives, Conferences, and Exhibitions) is a fast growing segment of the tourism industry; it is a new segment arising out of the increase in the number of conferences and exhibition enterprises. Meetings refer fewer than 50 participants gathering in hotels, resorts, or convention enterprises. Incentives are a reward trip offered to a participant who includes attending a meeting or a conference. Conferences refer to annual meetings with a large number of delegates.

Mice tourism is a popular form of tourism all over the world. It has huge contribution to tourist industry in every country's economic life. "For local and regional economy, events have economic impacts in terms of increasing employment, investment and public finances policy since it creates new source of income into the local economy" (Park Ri Sil, 2016).

Because it provides numerous visitors and it can be an easy way of advertising of touristic places. It makes up a big part of global business travel since every industry has regular events of some kind. The main goal here is always to bring professionals together, foster connections, promote new ideas, and push growth.

Traditionally, MICE encompasses mostly business events. Leisure events like concerts or festivals fall into a different category. However, many organisers now add leisure elements to larger events to better engage attendees and create a more memorable experience.

MICE is an important source of business for many hotels. First, exhibitors and attendees fill many rooms at properties with meeting facilities or close to convention centres. Second, carried out studies found that on average MICE guests pay more than leisure guests. This is partly because having large events in town leads to high demand and the chance to charge premium room rates. Hotels that host on-site meetings or conferences may offer slightly discounted rates to organisers. However, they can drive additional revenue from meeting and F&B packages. MICE can be a reliable source of recurring revenue. Many conferences and trade shows happen at set intervals, so hotels plan their annual budgets with these events in mind.

The MICE industry is a diverse industry that encompasses a wide variety of jobs. They all have one thing in common though: They're demanding, require a high degree of flexibility, resourcefulness, communication skills, and resilience. And in many cases, they come with long hours and shifts on weekends or holidays. That's why; they need various services from local companies and people.

MICE tourism has grown considerably in recent years. This growth has been particularly prominent in Asia, where tourism in countries such as China and India has increased significantly. There have been

more conferences organised and more exhibitions in recent years than ever before. This is in part due to a growing population worldwide. It is also because our world has become more interconnected and globalised, thus requiring more meetings, conferences and other events that require international travel.

Why is MICE tourism important?

MICE tourism can be beneficial to a destination's economy. It also provides a wealth of opportunities for individual companies or organisations who want to put themselves on the international stage.

Other benefits on MICE tourism include:

- ✓ It facilitates the access to new technology
- ✓ It attracts high-spending visitors
- ✓ It provides high yield and return per capita
- ✓ It enhances the international economic contact
- ✓ It creates more economic multiplier effect and competitiveness
- ✓ It can enhance off-peak tourism

MICE tourists often stay longer and spend more money than other tourists, making them important tourism stakeholders. MICE tourism can also help to contribute to community building, urban renewal, and growth of the national identity. Furthermore, MICE tourism can encourage development in a destination, particularly in the areas of convention and exhibition centers, improvements of airports and other transport infrastructure and various urban renewal schemes.

MICE tourism is a multifaceted industry, involving a number of tourism stakeholders. This includes:

- Transport providers (international and domestic)
- Accommodation providers
- Those who provide pre- and post-conference tour opportunities
- Staff at specific venues – purpose built centres and hotels
- Professional conference and exhibition organisers and catering services
- Social program leaders for delegates and participants
- Specialised technical support such as audiovisual services

The variety of stakeholders involved in MICE tourism indicates the potentially wide ranging economic impacts of MICE tourism. It also provides rationale for support from government agencies in many countries. It also indicates the scope of the challenges which must be met in coordinating the activities of different stakeholders to ensure that the MICE tourism industry is sustainable and effectively managed.

The MICE industry size was valued at \$805 billion in 2017 and was expected to grow at a CAGR of 7.6% to reach \$1,439.3 billion by 2025. However, COVID has had a drastic impact on this and this growth is expected to slow or even decline as a result.

MICE tourism is here to stay, but much of it has/will continue to move online, meaning that the monetary value is significantly reduced.

The continuing MICE tourism industry growth (whether physically or online) shall have a positive impact in the growth of businesses, cities and destinations around the world.

International tourist arrivals grew by 2%, to reach 924 million in 2008, which is 16 million more than in 2007 (UNWTO World Tourism Barometer, 2009 online). UNWTO forecasts up to 1.6 billion international tourist arrivals by 2020. It is no doubt the fastest growing industry being the primary

source for employment and for generating foreign exchange (Page and Connell, 2006; Cooper et al., 2008). All over the years, tourism has proved to be more resilient to economic downturns and terrorism troubles than other industries, by recovering itself very quickly except in recent years. (Laws, 2004; Lickorish and Jenkins, 1999; Rogers, 1998 cited in Davidson and Cope, 2003).

Key factors with greater impact of tourism includes Meeting and Business Events, Competency standards in building and improving required skills, knowledge and their application in the MICE tourism and rigorous research on MICE industry. The nation's economic condition is directly proportional towards Tourism which in turn is directly proportional towards the Nation's Infrastructure and towards the research on improving tourism.

### **Conclusion**

MICE tourism is a crucial part of tourist industry which can help to improve every local people's economic life. Because it provides not only a great number of visitors but also demands for workforce of local citizens. That's why; it has a vital role in the development of each state's economy.

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