Designing Leverage of MICE Potential in the Business Mix

HSMAI Workshop

15 January 2025

➤ **Thijs Peters**
- ▪ Over 20 years M&E experience
- ▪ Postillion Hotels
- ▪ International Board of Directors MPI
- ▪ Creativity
- ▪ People focused

➤ **Mark Struik**
- ▪ Over 20 years Commercial experience
- ▪ History at Starwood Hotels & Postillion Hotels
- ▪ Numbers and stats
- ▪ Analytical person

➤ **Both Co-Founder MICE Daily**

Rules of engagement

- Interactive

- Participate

- Ask questions

- Safe environment

Program

➤ Speed brainstorm – Challenges in MICE

➤ Why? – Why should HSMAI focus on MICE?

➤ Context Map – MICE performance

➤ *Break*

➤ Fishbowl - Program Discussion

➤ Review & wrap up

Speed brainstorm

What are the biggest challenges in the MICE market from a hotel/ venue perspective

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Challenges in the MICE market

Main outcomes

The lack of unified KPIs makes it difficult to measure performance.

A complex mix of tools, yet also a lack of crucial tools such as revenue management tools.

Slow adoption by customers for digital and direct (instant) online booking.

Resistance from customers towards expenses such as room rental, as well as a lack of market knowledge on the customer's side.

Geopolitical concerns and tensions.

Customer loyalty and retention.

Increasing demand for sustainability solutions.

Increasing demand for sustainability solutions.

Customer expectations and the need to respond faster and faster.
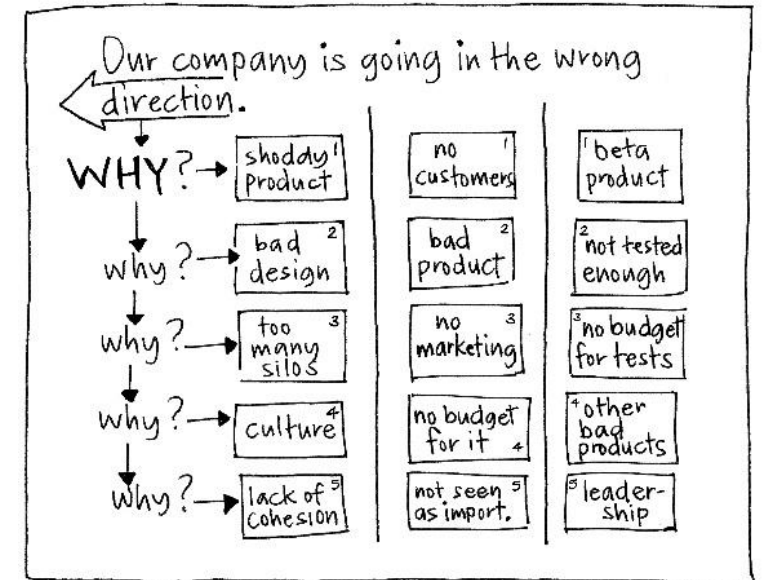
The role of agents with their demand for commissions, and sometimes also unclear RFPs.

Digital Transformation

The absence of revenue management, ongoing price wars, a lack of positioning within the business mix, and the failure to implement total revenue management.
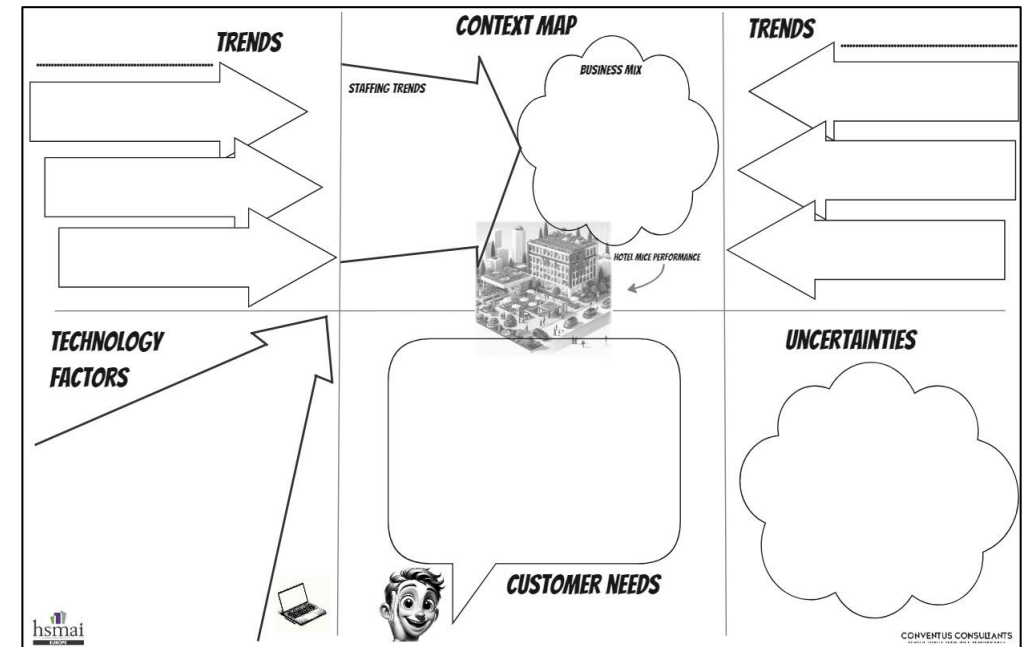
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Why?

Why should HSMAI focus more on MICE?

WHY?

Why should HSMAI focus more on MICE?

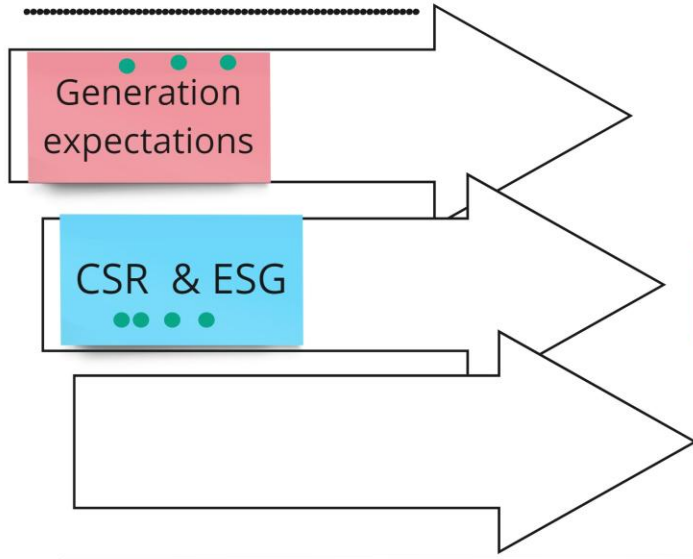|	Group 1	Group 2	Group 3	Group 4		
1x why	Discuss more often (gets neglected)	Growing segment	Revenue benefit	Highlight the importance of the MICE industry		
2x why	Need to focus on KPIs and gather more data to make better strategic decisions.	The need for in-person collaboration.	Total Revenue benefit	Channel the acceleration of the MICE segment		
3x why	Increase revenue potential $$$$$	New business & generational changes	Opportunity due to under-utilisation	MICE transformation = adoption and change management		
4x why	Maximization and optimization of venue performance (TRevPAR)	Interpersonal skills	Forecasting and budgeting accuracy.	Meeting value propositions, sustainability and immersive meetings		
5x why	Profitability leads to satisfied owners	Education	Improved profitability	Profitability through change		

Context Map

What are influences on the MICE performance of venues:

1. Industry & Market trends

2. Staffing Trends

3. Place in the business mix

4. Technology Factors
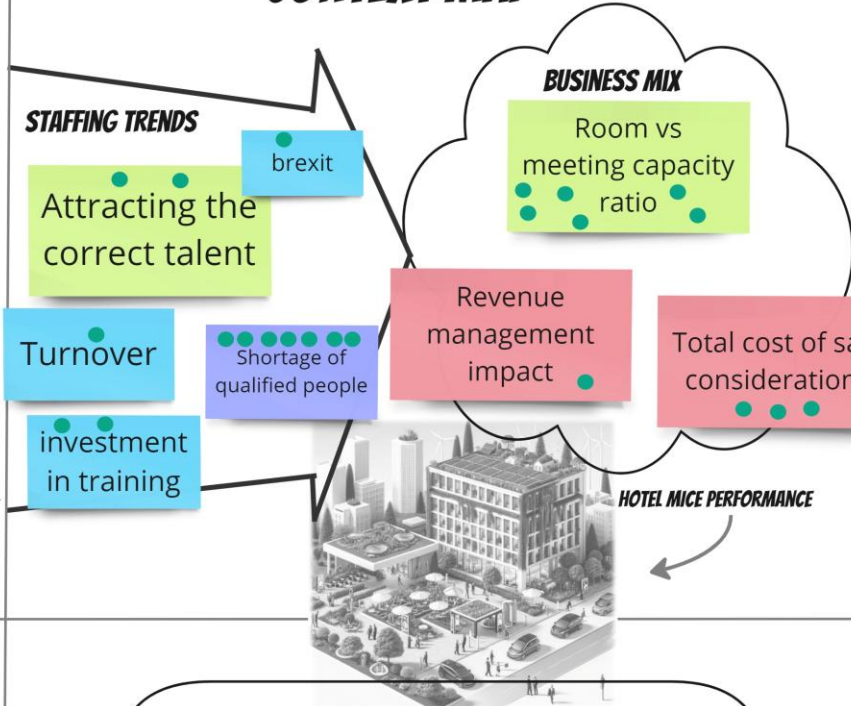
5. Customer needs

6. Any other uncertainties

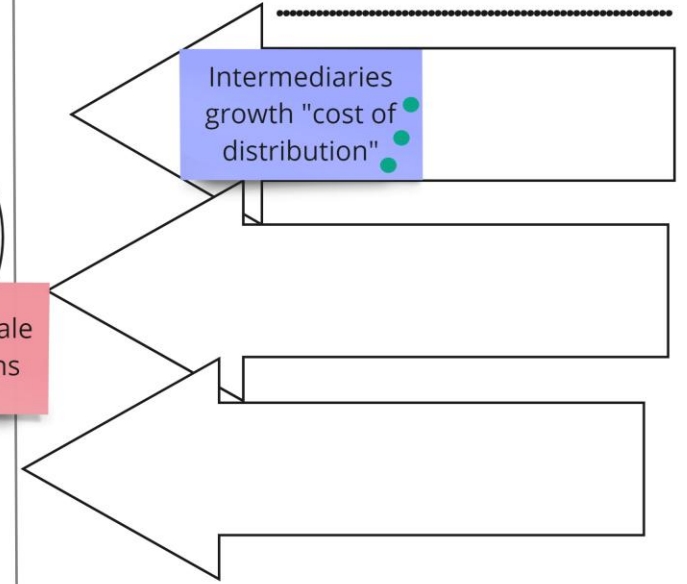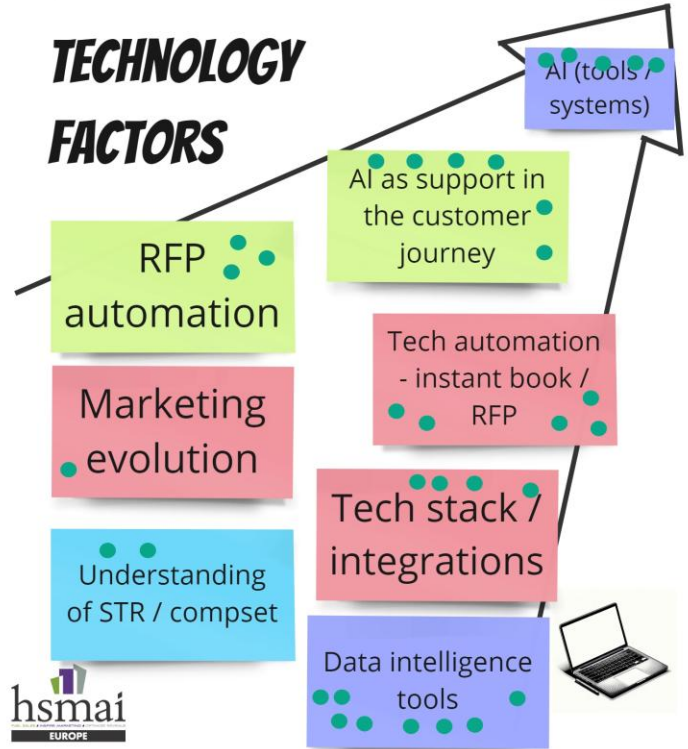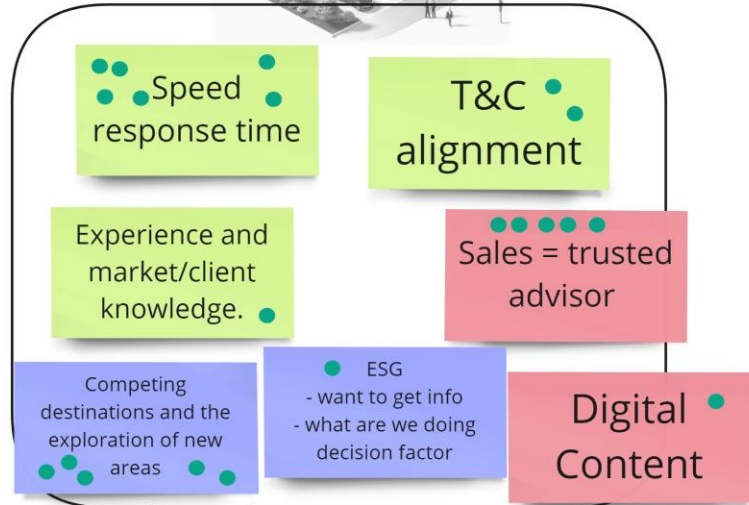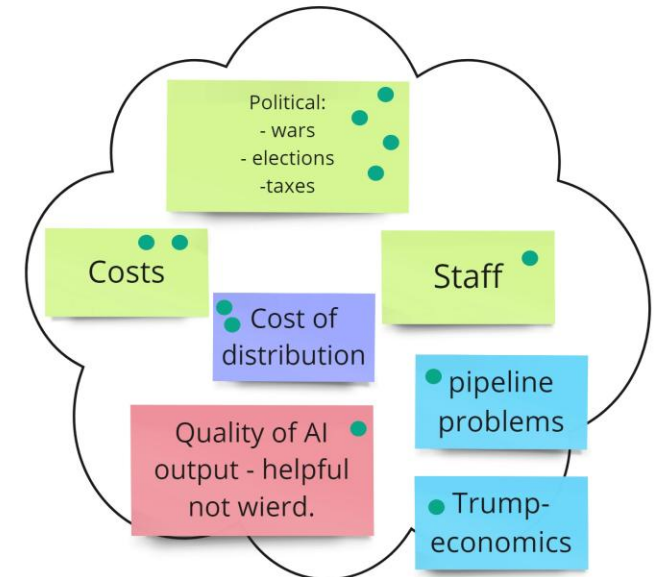➔ *Dot voting for most impact full factors*

CONTEXT MAP

TRENDS

- Generation expectations
- CSR & ESG

STAFFING TRENDS

- Attracting the correct talent
- brexit
- Turnover
- Shortage of qualified people
- investment in training

BUSINESS MIX

- Room vs meeting capacity ratio
- Revenue management impact
- Total cost of sale considerations

TRENDS

- Intermediaries growth "cost of distribution"

HOTEL MICE PERFORMANCE

TECHNOLOGY FACTORS

- AI (tools / systems)
- AI as support in the customer journey
- RFP automation
- Marketing evolution
- Tech automation - instant book / RFP
- Tech stack / integrations
- Understanding of STR / compset
- Data intelligence tools

CUSTOMER NEEDS

- Speed response time
- T&C alignment
- Experience and market/client knowledge.
- Sales = trusted advisor
- Competing destinations and the exploration of new areas
- ESG - want to get info - what are we doing decision factor
- Digital Content

UNCERTAINTIES

- Political: - wars - elections -taxes
- Costs
- Staff
- Cost of distribution
- pipeline problems
- Quality of AI output - helpful not wierd.
- Trump-economics

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REVOLUTIONIZE YOUR MICE PERFORMANCE

Open Fish-bowl

1. Should the MICE program be integrated into an existing HSMAI focus area, such as Sales, Marketing, Revenue or Distribution? Or does it need to be a dedicated program of its own?

2. Who is the target audience for this program? How do we define the participants it is intended for?

Observers

Players engaged in conversation
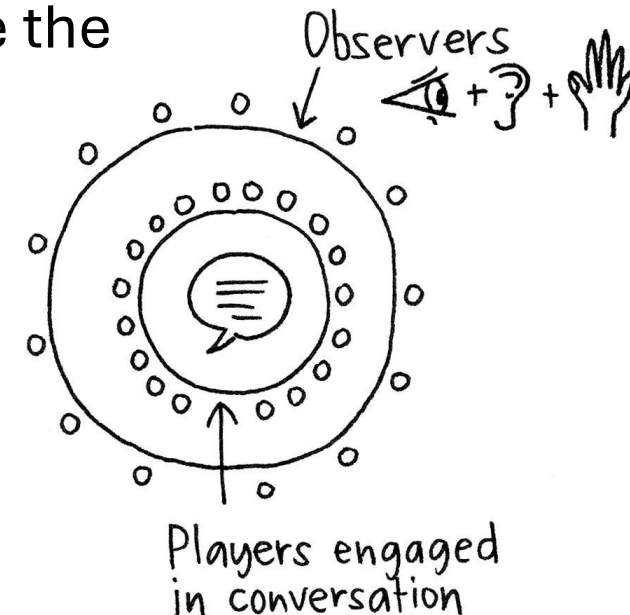
Should MICE have its own program?
Main outcomes

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Different pillar deserves its own spot

Step out of the general hotel Sales & marketing

We need a roadmap for MICE.

Support from Sales & Marketing is needed for MICE to thrive

A good MICE strategy without using the entire scope is impossible, so don't isolate it.

MICE is key in the business mix, we most take it seriously

A challenge in the commercial space

MICE is in every pillar

Join forces on the different disciplines

It's about breaching silo's, not making new ones

A separate pilar with people from the other pillars in it

MICE is a Volkswagen in the 1st gear on the highway, it needs to evolve tool / BI

Change the pillars? Revenue

Rooms   MICE

Pillars should be product lead instead of function lead

Everybody needs to be in the room to have the right discussions

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The target audience for a MICE program
Main outcomes

We as commercial professionals

It has to attract the persons that drives changes in the industry (seniors)

Bring the outside in, not only talking to each other

The customer / planner side

Owners

Train the staff

MICE:
The Hotel Cinderella

HSMAI Workshop
Key takeaways

15 January 2025

Key Take Aways

➢ **Main Challenges:**

- Lack of unified KPI's – Tools & Data – Speed of digital Transformation

- Lack of revenue management and focus on total revenue managemnt

- Changing customer expectations

- Geopolitical changes and tensions

- Increasing impact of CRS and SDG

➢ **The Why of MICE Focus:**

- Total revenue and profitability driver

- Focus on people and education (all generations – era with most different generations on the workforce)

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Key Take Aways

➢ **Factors impacting MICE performance of a hotel/ venue**

- Generation expectations

- CSR & ESG

- Qualified staff, high turnover and attracting talents

- Room vs meeting capacity ratio and the cost of sale

- The upcoming of AI and the impact on the Customer Journey and systems

- RFP Automation and instant booking,

- Need and evolution of data intelligence tools

- Ever increasing requested speed of response

- The role of sales staff

- Competing destinations and the rise of new areas

- Geopolitical developments

- Cost development, including increasing cost of distribution

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Key Take Aways

- ➢ A MICE program or not?
  - ▪ MICE deserves more attention
  - ▪ MICE needs Sales, Marketing, Revenue and Distribution as well
  - ▪ MICE should not be isolated
  - ▪ Every department contributes to a better MICE performance
- ➢ The audience
  - ▪ Seniors that drive change
  - ▪ Bring also the outside (e.g. owners and planners) in
  - ▪ Train the staff to increase quality
- ➢ More in general
  - ▪ Should pillars be designed by function or by outlet?

Advice to the board

Develop a MICE-program
with its own advisory board

Include advisors from every different discipline

Focus areas: Digital transformation, Data Intelligence & KPIs, Staffing quality and CSR & SDG