

A Study of the MICE Tourism Industry's Workforce and the Variables Influencing Customer Relationship Management

Rahul Rajkamal¹, Hrishi Kumar Gond², Prashant Kumar Pandey³, Rohit Ravindra Borlikar⁴, Amarendra Pratap Singh⁵

Abstract:

MICE tourism, also known as meetings, incentives, conventions, and exhibitions, is a sizable travel industry segment. MICE tourism brings in revenue for the host country. The Indian MICE industry, however, is unable to receive the entire revenue from MICE activities, which has a negative impact on the growth of the country. Consequently, the research's primary focus was on the factors affecting the Indian MICE Tourism Industry through Customer Relationship Management (CRM) features. As a result, a literature review and online polls were conducted to analyse the problem domain from the viewpoint of an industry expert. A sample of 110 was collected during this survey. The significant findings of this study are derived with the help of hypotheses testing, correlation and regression techniques were used which were supported by the survey questionnaires. The study reveals the importance of MICE tourism in terms of building the nation's infrastructure in order to entice and accommodate more MICE tourists.

¹ Department of Tourism Management, Indira Gandhi National Tribal University, Amarkantak, Madhya Pradesh. Email- rkrkamal41@gmail.com

² Department of Business Management, Indira Gandhi National Tribal University, Amarkantak, Madhya Pradesh. Email- hrishikumar22@gmail.com

³ Independent Researcher, Email- striflap@gmail.com

⁴ Department of Tourism Management, Indira Gandhi National Tribal University, Amarkantak, Madhya Pradesh. Email- rohitborlikar@igntu.ac.in

⁵ Department of Business Management, Indira Gandhi National Tribal University, Amarkantak, Madhya Pradesh Email- amarendra.singh@igntu.ac.in

Keywords: CRM, MICE, Employees, Customer management process, Information Technology.

1. Introduction

In India, the tourism sector is expanding quickly and has generated US \$ 170 billion revenue in 2021. The industry has continued to diversify and grow over the past few years. According to Mendis (2013), the sector is marketing India's alternative travel and tourist opportunities, particularly event tourism. The deliberate planning, creation, and marketing of events are known as event tourism. The plan is to concentrate on a market segment made up of people who travel to events, are motivated to attend events, or have the potential to attend events when they are away from home. (Lau, 2009). Events can be categorised into different categories based on their form and content. They are cultural, sporting, and Business events (Lau, 2009). Business events are "increasing its popularity every day, and in some cases, it becomes the main type of tourism in the destination" (Gurkina, 2010, p.1), and MICE Tourism has become a main focus in many countries that represents a sector of tourism that is of business events and activities. MICE Tourism is a rewarding business that has shown steady growth in India over the past few years. 'MICE tourists represent the 'up-market calibre of tourists spending three to four times a year more than an average holidaymaker" (Mendis,2013). The motive of tourists who travel to attend MICE occasions is beyond leisure tourism. The MICE Industry plays a significant role in the country's economy. It also enhances several different industries, such as hospitality, transport and insurance. In addition, this segment contributes towards the reinforcement of the local trade, creating employment possibilities and developing improved infrastructure.

Due to the prevalence of the internet, marketing trends in the digital era are still evolving alongside ever-more complex technology. An innovation in the field of marketing is digital marketing. The process of advertising goods or services online or through digital media is known as digital marketing. E-commerce has brought about significant changes in many areas of current enterprises, including the creation of firms with novel business models, fresh customer

bases, and innovative business processing techniques (Grewal et al., 2015). These adjustments could provide customer relationship management a new kind of competitive advantage. According to O'Brien and Dyché (2001), CRM systems are the foundation that allows the firm to expand its services and add more features for customers, which enables them to gain the respect and confidence of their business partners (Fotiadis & Vassiliadis, 2017). It is crucial to make every effort to draw in new clients and hold onto existing ones in today's dynamic and competitive market. Many current issues can be resolved by improving communication channels, and electronic CRM (E-CRM) is a revolutionary development in the business world. Consequently, businesses adopt IT-based CRM tools to support their corporate strategy (Ali & Alshawi, 2004). CRM is a hybrid business process that manages all expectations, executes all system components, and eliminates client needs (Ghalenoie and Sarvestani, 2016). According to Galvão et al. (2018) and San-Martín et al. (2016) the main objective of CRM is to increase the value of the relationship with customers over the course of the relationship. Tools, technology, and procedures enable customer connections to ensure customer satisfaction and boost sales in order to achieve CRM (Erdil & Öztürk, 2016). The CRM finds new clients, creates engagement plans, keeps them around by meeting their financial needs, and makes sure they don't switch to a competitor (Krishna & Ravi, 2016).

It has been identified that experience is a new source of value to the customer. They seek not only a "good quality product or service but for the outstanding and unique experience which will last for a lifetime. Usually, people tend to look for the experience in the service-oriented sectors" (Gurkina, 2010, p.8) Therefore, as tourism is a service-oriented industry. Tourists who travel for business purposes look for experiences that will be different, but memorable. "Although experiences are intangible, people will desire to get them, due to the reason that those things and memories stay with them through their lives." (Gurkina, 2010, p.1) Therefore, Industries are required to improve tourist expectations, to build a creative image of

the country and industry, “attract more customers, and work on their satisfaction and loyalty.” (Gurkina, 2010, p.1)

1.1. Objective

- To analyse the factors influencing customer relationship management of MICE tourism industry’s workforce.

2. Review of Literature

Alananzeh et al. (2018) investigated the impact of tourist satisfaction on CRM. They discovered that whereas (F&B) outlets had no substantial impact on customer relationship management, tourist attractions, facilities, and front office services have a considerable impact on visitor satisfaction.

According to USHA LENKA et al. (2009), the technological interface, the physical evidence, and interactions with service personnel can all be utilised to assess the quality of the provided services. Customers evaluate a company’s degree of customer service based on both its own attributes and those of its staff. Reliable workers consistently adhere to deadlines and satisfy client needs. Dependable and responsive staff members have a better understanding of the services the business provides and the demands of its customers. The communication process between customers and employees is improved by empathy.

Kaushal (2015) described that to boost customer loyalty and retention, and it is highly recommended to use a CRM tool to develop a business plan. The researcher discussed the use of CRM in the hospitality sector and claimed that a business plan implemented with CRM guarantees that the hotel’s technology is up to date and that a hotel can measure a customer’s happiness by developing a solid relationship with that customer.

Mastorakis et al. (2014) based on the coexistence of interactive digital television and multimedia networks, a revolutionary electronic customer relationship management (e-CRM) paradigm was developed. The findings emphasize the importance of implementing

e-CRM concepts with a focus on creating the strongest connections possible across sector stakeholders in travel and tourism, and they provide significant practical consequences.

Many authors have stated that without the use of internet tools, effective CRM cannot exist (Harrigan et al., 2008).

Shoniregun et al.(2004) advocated an approach based on trust to view E-CRM and have discussed the ways to be effective in CRM. To show the organisational value of trust and E-CRM in multinational organisations, they also conducted a questionnaire survey. In addition, they suggested a trust model that has joined policy and law trust, technology trust and people trust.

Yuet al.(2015c) studied how customers behave differently, how they can affect a company, how E-CRM activities and customer perceptions of fairness are identified in a company. They also have developed a combined fairness model in the E-CRM that joins four key variables (quality of differential treatment, communication efforts, service and price) internal to the firm.

Kimiloglu and Zarat (2009) examined the balanced scorecard approach, determining the criteria that represent the higher level of E-CRM success for internet businesses. The companies with high levels of perceived E-CRM success have claimed significantly decreased services up port costs, increased profitability and sales, effective customer targeting and database management, innovation and excellence in services, higher levels of improvements in transaction frequency and high customer satisfaction. Internet businesses using successful E-CRM programs can achieve a high level of improvement in all four balanced scorecard perspectives, including fewer tangible indicators such as efficiency in business processes, excellent customer value, innovation, and tangible measures such as financial outcomes.

Rani et al. (2015) given that the most critical business strategy the tourism industry uses is customer relationship management (CRM), which enhances tourists' perceptions of the excellence of the services they receive, raising their satisfaction levels and motivating them to stay.

Goel et al. (2015) Stated that CRM is essential in finding, luring, and delivering improved resources to tourists so they may meet their demands and wants. CRM's primary objectives are to attract tourists and foster client loyalty. Researchers suggested that CRM is only effective if it is appropriately, practically, and strategically incorporated into tourism firms' business operations and information systems.

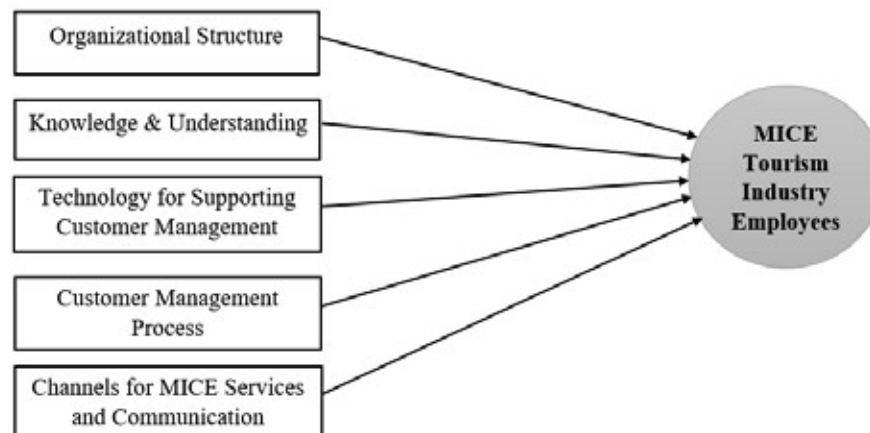
Wu and Lu (2012) The implementation of customer relationship management (CRM), its effects on relationship marketing (RM), and the hotel industry's business performance were all examined. The study discovered that the CRM strategy's Internet service and customer support capabilities are the primary elements influencing RM and company performances; However, B&Bs (the CRM strategy's marketing support role) alone have an impact on the RM effect and company performance. Suggested that the implementation of CRM strategies is required to achieve better performances in hotel industries.

Mohammed and Rashid (2012) developed a theoretical framework to demonstrate the solid connection between CRM characteristics, marketing competence, and hotel performance. It significantly contributes to the field of Knowledge because it offers a systematic framework that outlines how the four CRM dimensions affect hotel performance.

2.1. Research Gap

There has been no empirical research focused on the Customer Relationship Management (CRM) variables impacting the MICE tourist industry's employees in the literature. As was demonstrated in a previous section, there is a lack of studies concentrating on CRM in general and specifically with regard to MICE tourism. This study intends to fill these gaps that have been brought to light by the examination of recent literature pertaining to the research topics CRM and MICE tourism.

2.2. Conceptual Framework



Source: Researchers' Compilation

2.3. Hypothesis

H₀1: There is no relation between organizational structure and MICE Tourism Industry

H₀2: There is no relation between Knowledge & Understanding and MICE Tourism Industry

H₀3: There is no relationship between Technology for Supporting Customer Management and MICE Tourism Industry

H₀4: There is no relationship between Customer Management Process on MICE Tourism Industry

H₀5: There is no relationship between Channels for MICE service and communication and MICE Tourism Industry

3. Research Methodology

A survey was conducted through a structured questionnaire among the employees of MICE Tourism Industry in which 300 responses were received and 110 found to be relevant. Tools such as Percentage

analysis, Cronbach's Alpha, Correlation, and Regression were used to analyse the collected data.

4. Analysis & Findings

Reliability Analysis

The reliability of the tools was tested through Cronbach's alpha, and the accepted alpha value was more than 0.70 is a good fit for the social sciences research.

Table 1. Reliability Value

Cronbach's Alpha	N of Items
0.712	18

Furthermore, reliability table 1 shows that the reliability value is 0.712, which is greater than the required alpha value. So, the research tool has excellent reliability of items.

Table 2. Descriptive Statistics

Particular	Frequency	Percentage
Gender		
Male	79	71.8
Female	31	28.2
Age		
21-30 Years	11	10
31-40	55	50
41-50	44	40
Education		
Graduate	5	4.5
P.G Diploma	34	30.9
P.G.	62	56.4
Others	9	8.2

In the descriptive table, proportion of males were 71.8 percent, and the proportion of female respondents were 28.2, which denotes that males are more interested in participating in the survey related to CRM factors on MICE interest in this study than females. 50% of respondents belong to the 31 to 40 age group, indicating that the middle generation has distinct views on CRM and MICE. In this study, graduate respondents are 4.5% of the total sample and post graduate diploma holder was near about 30% and post-graduate was 56.4%, and the remaining respondents have other educational qualification, which is 5% of the total respondents. This study's sample reflects that the researcher adopts a holistic approach to data collection.

Table. 3 Correlation among Variables

	Knowledge & understanding	Organizational Structure	Customer Management Process	Technology Support CRM	Channels of MICE Services
Knowledge & understanding	1	0.440	0.117	0.613	0.818
Organizational Structure		1	0.378	0.065	0.404
Customer Management Process			1	0.013	0.132
Technology Support CRM				1	0.229
Channels of MICE Services					1

** . Correlation is at the 0.01 significant level (2-tailed).

Table 3 of Correlation reflects an R-value of 0.440, considered as an association between organizational structure and Knowledge of employees, the Organizational structure which has a medium effect correlation. Moreover, Knowledge of Staff and their customer management process have a medium and high effect on correlation and technological support CRM, whose R-values are 0.117 and 0.613, respectively. The channel of MICE service is highly

associated with the Knowledge of employees' staff showing an R-value of 0.818. R-value is 0.378 of the Customer Management Process and organizational structure. Technology Support CRM and Organizational Structure have a low correlation of 0.065, and organizational structure has a medium effect correlation with the channel of MICE that was 0.404. Customer management Process and Technology support CRM have low correlation with R-value of 0.013. Channels of MICE services and Customer Management Process showing Low correlation as 0.312 R-value shown. These correlation values are obtained at a 0.01 level of Significance, and Overall, it indicates a positive association among the study variables.

Regression analysis

Table. 4 Hypotheses testing

Hypotheses	Regression weight	Beta coefficient	R ²	F value	P value	Durbin Watson	Hypotheses analysis
H ₀ 1	Knowledge MICE	0.651	0.429	81.215	.000	1.431	Rejected
H ₀ 2	O S MICE	0.507	0.232	32.608	.000	1.470	Rejected
H ₀ 3	C M P MICE	0.252	0.083	9.768	.002	1.465	Rejected
H ₀ 4	TS CRM MICE	0.523	0.493	104.890	.000	1.877	Rejected
H ₀ 5	C M S MICE	0.362	0.207	28.272	.000	1.361	Rejected

Table 4 reflects the results of regression analysis and hypothesis testing which was based on linear regression analysis in which standardised beta coefficient and p-value and R² shows the degree of variance and Durbin Watson test was used to check the multicollinearity which obtained value in all the above model was between 1 and 3 which is enough for further analysis as per the doctrine of statistics. In this way, model fit was tested which is based on the f-value and p-value.

Results indicate that all the above models of hypothesis were fit. In this study, all the above null hypothesis was rejected.

The first model of this study indicates that an alternate hypothesis was accepted which means that the independent variable Knowledge significantly impact the dependent variable channel of MICE by 0.429 (R^2 value). In the same way organizational structure sector (OS) impacts the channel of MICE by 0.232. And in the third hypothesis independent variable is Customer Management Process (CMP) and the variable channel of MICE consider as a dependent variable in which the R^2 value was .083 which means customer management process (CMP) not significantly impacted. In the same way, the Technology Support CRM (TS CRM) and physical Channel of MICE Services (CMS) was considered an independent variable and a variable channel of MICE dependent variable in which variance was 0.493 and 0.207 respectively, which was based on R^2 value.

5. Interpretation & Conclusion

This study was focused to analyzed the relation between variables of Customer Relation Management (CRM)and Meeting, Incentives, Conventions, and Exhibitions (MICE). To serve the objective of the study, five null hypothesis was constructed in which variables of the CRM was considered as independent variable and MICE considered as dependent variable.

In this study more than 300 questionnaires were sent offline, and online mode in which 110 responses were found suitable for further analysis, in Data set 71.8% were male, and the rest of 28.2% was female, which means males responded more as compared to female but have significant participation. Almost this was the ratio of MICE industry. Various Tools, such as Correlation, Regression analysis, were applied to test the hypothesis and positive results were found.

Overall, thr research model shows that variables of the CRM (Knowledge, Organizational structure, Customer management process, Technology support of CRM, and Channels of MICE services) significantly impacts on variables of MICE tourism Industry. And all

null hypothesis was rejected. Which means CRM play a very crucial role in MICE industry.

Tourism sector is an essential field of the service industry and the Organization should focus more on MICE Industry because this industry provides group events that enhance the business of the Organization. Tourism Industry has always contributed to the growth and development of the nation. Meeting, Incentive, Conferences and Events (MICE) are the main elements of tourism industry and also have potential to drive tourism industry at a greater pace.

6. Suggestions

It was analysed that these variables of CRM was ignored in present work culture of tourism industry but this research results shows they are crucial, so the responsible authorities of the industry must consider it at each level .

Further study is also needed to understand the connections between CRM elements and MICE tourism workers, including gaps in models, target audiences, sample sizes, and other issues.

References

- Alananzeh, O. A., Jawabreh, O., Al Mahmoud, A., & Hamada, R. (2018). The impact of customer relationship management on tourist satisfaction: The case of Radisson Blue Resort in Aqaba city. *Journal of Environmental Management & Tourism*, 9(2 (26)), 227-240.
- Ali, M., & Alshawi, S. (2004). Potential impact of cultural differences on electronic customer relationship management (eCRM) systems. *AMCIS 2004 Proceedings*, 487.
- Dyche, J., & O'Brien, M. M. (2002). *The CRM handbook: A business guide to customer relationship management*. Addison-Wesley Professional.
- Erdil, A. and Öztürk, A. (2016), "Improvement a qualityoriented model for customer relationship management: acase study for shipment industry in Turkey", *Procedia - Socialand Behavioral Sciences*, Vol. 229, pp. 346-353

- Fotiadis, A. K., & Vassiliadis, C. (2017). Being customer-centric through CRM metrics in the B2B market: the case of maritime shipping. *Journal of Business & Industrial Marketing*.
- Galvão, M. B., de Carvalho, R. C., de Oliveira, L. A. B., & de Medeiros, D. D. (2018). Customer loyalty approach based on CRM for SMEs. *Journal of Business & Industrial Marketing*.
- Ghalenooie, M. B., & Sarvestani, H. K. (2016). Evaluating Human Factors in Customer Relationship Management Case Study: Private Banks of Shiraz City. *Procedia Economics and Finance*, 36, 363-373. [https://doi.org/10.1016/s2212-5671\(16\)30048-x](https://doi.org/10.1016/s2212-5671(16)30048-x)
- Goel, V., Singh, A., & Shrivastava, S. (2015). CRM: A winning approach for tourism sector. *International Journal of Engineering and Management Research (IJEMR)*, 5(2), 321-325.
- Grewal, R., Lilien, G. L., Bharadwaj, S., Jindal, P., Kayande, U., Lusch, R. F., ... & Sridhar, S. (2015). Business-to-business buying: Challenges and opportunities. *Customer needs and Solutions*, 2(3), 193-208.
- Gurkina, A. (2013). Travel experience in hotels for MICE Industry. pp.1-43.
- Harrigan, P., Ramsey, E. and Ibbotson, P. (2008), "e-CRM in SMEs: an exploratory study in Northern Ireland", *Marketing Intelligence & Planning*, Vol. 26 No. 4, pp. 385-404.
- Kaushal, A. (2015). Customer relationship management practices adopted by hospitality industry in selected states of north india. *JOHAR*, 10(1).
- Kimiloglu, H. and Zaralı, H. (2009), "What signifies success in e-CRM?", *Marketing Intelligence & Planning*, Vol. 27 No. 2, pp. 246-267.
- Krishna, G.J. and Ravi, V. (2016), "Evolutionary computing applied to customer relationship management: a survey", *Engineering Applications of Artificial Intelligence*, Vol. 56, pp. 30-59
- Lau, C. (2009). Manual on Elective / - Meetings, Incentives, Conference and Exhibitions (MICE). 1st ed. [ebook] Hong Kong: The Hong Kong Polytechnic University, pp.1-145. Available at: <http://www.edb.gov.hk/attachment/en/curriculum-development/kla/pshe/nss-curriculum/tourism-and-hospitality-studies/mice%20english.pdf>

- Mastorakis, G., Trihas, N., Perakakis, E., & Kopanakis, I. (2015). E-CRM in tourism exploiting emerging information and communication technologies. *Anatolia*, 26(1), 32-44.
- Mendis, C. (2013). Sri Lanka's MICE and tourism industry. Daily FT. [online] Available at: <http://www.ft.lk/2013/09/25/evolving-times-sri-lankas-mice-and-tourism-industry/>
- Mohammed, A. A., & Rashid, B. B. (2012). Customer relationship management (CRM) in hotel industry: A framework proposal on the relationship among CRM dimensions, marketing capabilities and hotel performance. *International Review of Management and Marketing*, 2(4), 220-230.
- Rani, N., Meena, B., & Jawahar, K. V. S. N. (2015). CRM Implementation in Tourism Industry-Issues and Select Cases of CRM Software Vendors. *International Journal of Engineering Research & Technology (IJERT)*, 3(18).
- San-Martín, S., Jiménez, N. and Lopez-Catalán, B. (2016), "The firms' benefits of mobile CRM from the relationship marketing approach and the TOE model", *Spanish Journal of marketing - ESIC*, Vol. 20 No. 1, pp. 18-29.
- Shoniregun, C.A., Omoegun, A., Brown-West, D. and Logvynovskiy, O. (2004), "Can e-CRM and trust improve eCustomer base?" Paper presented at thee-Commerce technology, 2004, Proceedings. IEEE International Conference on CEC 2004
- Wu, S. I., & Lu, C. L. (2012). The relationship between CRM, RM, and business performance: A study of the hotel industry in Taiwan. *International Journal of Hospitality Management*, 31(1), 276-285.