

Toward Enhancing the International Competitiveness of Japan's MICE Business

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KINTEX, one of Korea's flagship exhibition centers, opened its 2nd Exhibition Hall in September, which is similar in scale to the existing Exhibition Hall of 53,541m². Memories of the opening of Marina Bay Sands in Singapore last year are also still fresh in our minds. Large-scale facilities are being developed one after another in various Asian countries, signifying that competition is really heating up in Asia's MICE industry.

In view of this fiercely competitive environment, "MICE Japan" recently spoke with MICE Research Institute's Kaoru Shibuta and Hiroyuki Sugano, who are authorities on overseas MICE, to hear their views on the international competitiveness of Japan's MICE business.

(Facilitator: MICE Research Institute Secretariat)

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Factors behind the successes in Korea and Singapore

— Korea is tackling MICE promotion on a national level. Seoul declared its intention to become the 5th ranked convention city in the world and has already achieved this goal, earlier than planned*. Where do you think their secret lies?

(*according to Union of International Associations (UIA) statistics.)

Sugano: One of the main reasons why Korea has met with such success is that each city is making efforts to present its own special characteristics. Busan, for example, is specializing in IT, finance and robots. They are clearly delivering the message that "If you are planning events in these domains, definitely come to Busan."

The "G-STAR" event that is marketed as a sister event to the Tokyo Game Show, is just one example. In the beginning it was convened in Seoul, but since 2009 has been held in Busan. Incheon, the city where the international airport is located, specializes in the fields of high technology and robotics. In this way, one of the unique features about Korea is that they are strategically developing this based on the grand designs of each city.

— Korea's MICE industry has achieved rapid growth in the past few years, and surely they could not have achieved this result without substantial creativity and efforts.

Sugano: At the end of the day, how Korea has nurtured their human resources has made a huge contribution. When

I attended the Global PCO Forum in Seoul this June, I met Professor Heekon Hwang of the Hallym University of Graduate Studies. Professor Hwang is a highly respected professor and an authority on MICE. Students that he fostered at Hallym University are now key figures in the PCO industry in Korea.

Korea's long-term efforts are starting to pay off in this sense. Also, when you go to MICE-related events in other countries, usually there are specific people that are known to be associated with MICE in that country. In the case of Japan, it's difficult to pinpoint such a person.

— Along with Korea, Singapore is also known as an advanced country in the area of MICE.

Shibuta: Singapore has a prime location that could be called the hub of Asia, and is home to the Asian headquarters of many organizations. In the same way as Geneva, indeed meetings accompany the existing functions; they naturally go hand in hand.

— One strategy could be to attract international headquarters to Japan, and then endeavor to bring related meetings to Japan.

Shibuta: First of all, having a key person is crucial and then there's also the language barrier. Japan should be able to attract more international meetings considering our scientific level and financial strength, e.g. Japanese medical associations and others, but at present this remains unfulfilled.

Sugano: The fact that the Singapore Tourism Board is providing strong support, including major financial support, is one of factors behind Singapore's success. Singapore is very aggressive in marketing the merits of holding a convention in the country, and as a result, their MICE-bidding mechanism is well established.

— What kinds of information has Japan been able to send overseas?

Shibuta: When you look at the information available in international MICE venue publications, it's clear that there is very little information on Japan. In order to rectify this, we have been pressing MICE-related publishers to include Japan's MICE venues in their media, but further efforts are needed.

On the subject of proactive dissemination of information, I'd like to tell you an interesting example I heard recently. A certain Japanese doctor had successfully won a bid to hold an international conference, and received an e-mail from a salesperson at an Asian resort that had heard the news. The salesperson encouraged the doctor to hold the conference in that country, where low prices could be enjoyed, etc.

Well, I wonder if Japan is acting as aggressively in our own activities. I'm afraid that we may not be looking overseas and proactively selling ourselves overseas as much as we should be. Whether it's being fast on our feet or transmitting information, Japan has a lot to learn.

— From the perspective of international competitiveness in terms of resources/facilities, another big issue is to what degree Japan is actively recruiting talent from overseas.

Sugano: COEX, a large-scale MICE facility in Korea, has an Australian who is in charge of overseas activities. The China National Convention Center in Beijing also has a foreign manager. In both facilities, their stance is to place emphasis on effective overseas activities and PR.

— Mr. Sugano, I've heard you mention that there are 2 types of MICE venues; European and American. Could you tell us more?

Sugano: A good example of the European type is the Messe Frankfurt in Germany. Although it was originally built as an exhibition venue, it now has an adjacent conference facility in order to satisfy the demand for meetings.

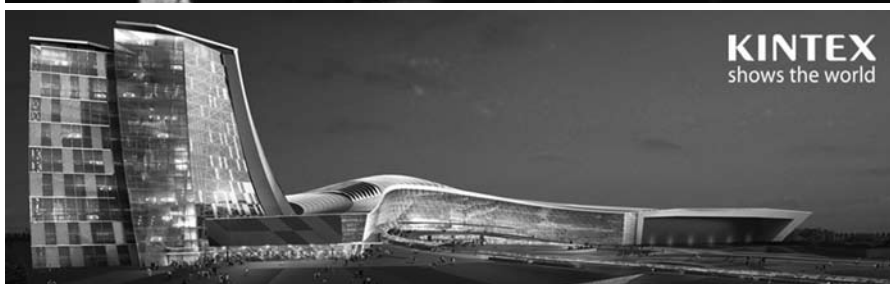
On the other hand, American-type facilities are almost equally exhibition and conference halls. In other words, one day it can host an exhibition, the next day a conference. One prime example is the Moscone Center in San Francisco, which is a really well-engineered facility. It can be used as a hall for, let's say, a keynote speech, and it can also be used for an exhibition. Most of Japan's facilities do not fit perfectly into either type.

Vision toward strengthening international competitiveness

— Well, in the face of the huge momentum of the MICE industry in places like Korea and Singapore, what avenues do you think Japan could pursue to open up new opportunities for our MICE industry?

Shibuta: Compared with the past, I have to say that the situation has improved substantially. A supervisory agency, the Japan Tourism Agency, has been established, and there are a growing number of universities that offer curricula related to tourism. Yet, I strongly believe that in order to assemble the very best human resources, it is important that MICE-related work is seen as an "appealing vocation." If that can be realized, more and more high quality human resources will come into our industry, and the level of our industry as a whole will improve.

Another point is the current situation in which the operating company for international meetings is decided through a



tender. If this continues, it will mean only price competition and the industry as a whole will be ravaged. An industry that is worn out at home cannot expect to have the strength to win abroad.

Sugano: 20 years ago when I decided to work in the exhibition industry, there was no worthwhile information in Japanese never mind universities that taught this subject. I believe that it is imperative for the government to formulate a grand design, which would include such aspects as nurturing human resources, offering grants to universities that formulate curricula or establish related departments, or set up a nomination scheme accredited by the government, etc., in order to drive MICE forward hereafter.

- MICE Research Institute - Major Activities



- ① Planning and consulting services for domestic and international conferences and exhibitions
- ② Promotion of PFI, private finance initiative, and PPP, privatization of government enterprises
- ③ Planning and research for the development of conference and cultural facilities
- ④ Research of MICE projects overseas
- ⑤ Publicity and publishing related to MICE