

A Study on “Effects of Non Responsiveness of Hotel staff on the MICE business”

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Abstract-: The purpose of this paper is to investigate the negative effects of Non-responsiveness of Hotel staff, its impact on MICE business and the role of information sharing by the hotel staff to the customers visiting the Hotels of Mumbai and Pune.

Many hotels today are losing their business due to improper MICE handling procedures. This paper tries to showcase the importance of proper customer responsiveness by the hotel staff and how non-responsiveness by the hotels staff is affecting MICE business.

Key words: - MICE, Non Responsiveness

Introduction: - It was about 30 years ago in the mid-1970s, that the business of planning and executing meetings in both hotels and convention halls began to undergo changes, at that time both independent and chain hotels relied mostly on business from leisure and individual customers i.e. transit guests to gain the room occupancy, but it was only after 1991 that MICE segment got an impetus in the Indian hospitality scenario after the liberalisation. Today the larger events and functions in many hotels, are organized which is called as MICE business, and this segment is recognized as the most significant market which ensures that the hotel's room occupancy, as well as food and beverage revenue requirements are met.

MICE -: Stands for **Meetings, Incentives, Conventions and Exhibitions.**

It's an important industry because **MICE** visitors are usually on business and often spend more than leisure travellers.

Meetings, incentives, conferences, and exhibitions, or Meetings, Incentives, Conferences, and Events (MICE) is a type of tourism in which large groups, usually planned well in advance, are brought together for a particular purpose.

Meeting – Is a general term indicating the coming together of a number of people in one place, to confer or carry out a particular activity Meeting planners and other meeting professionals may use the term “meeting” to denote an event booked at a hotel, convention centre or any other venue dedicated to such gatherings.

Incentive – Meeting event as part of a programme which is offered to its participants to reward a previous performance.

Conference – Participatory meeting designed for discussion, fact-finding, problem solving and consultation. As compared with a congress, a conference is normally smaller in scale and more select in character – features which tend to facilitate the exchange of information. The term “conference” carries no special connotation as to frequency. Though not inherently limited in time, conferences are usually of limited duration with specific objectives.

Exhibition – Events at which products and services are displayed.

There has been an industry trend towards using the term ‘meetings industry’ to avoid confusion from the acronym. On the other hand industry educators are recommending the use of “events industry” to be an umbrella term for the vast scope of the meeting and events profession.

Recently, there has been an industry driven initiative to not use the “MICE Market” label and instead say “The Meetings Industry” which encompasses all the above. The Meetings Industry consists of a broad range of organizers, suppliers and facilities engaged in the development and delivery of meetings,

conferences, exhibitions and other related events which are held in order to achieve a range of professional, business, cultural or academic objectives.

The activities of the Meetings Industry are an increasingly significant element in the future growth of the global economy, an essential part of the spread of knowledge and professional practices which is a key factor in building better understanding amongst different regions and cultures.

Specifically, the Meetings Industry is a key component of the knowledge economy, acting as a vehicle for business, professional and academic communities to achieve the interactions required to affect the knowledge transfer, collaboration and information dissemination that is the primary purpose of these events. The recent years have seen a tremendous upswing with more events and more participants, higher prices, and increased budgets, optimism amongst hoteliers and MICE organizers has also increased over the years. However, IFH Multinational survey recently found that a great many hotels are missing out on most of the business due to lack of appropriate procedures and responsiveness to enquiry.

In India-wide survey on the handling of MICE inquiries in the hotel Industry reveals disturbing findings showing that lack of responsiveness is widespread throughout the industry, with hotels missing out on significant potential MICE revenues, too many hotels currently are losing on major amount of business due to improper procedures of their MICE handling process.

The best thing hotels can do for this segment of customers is to be aware of what are their expectations and needs are and do their best in creating a positive experience as the MICE Industry plays one of the main role in the development of tourism in many destinations there by helping in the development of the Economy.

For MICE travellers, the professionalism of the staff and the infrastructure of the destination are the two most important factors, when it comes to choosing the hotel. The tourists who are travelling for MICE purposes are mainly professionals from a variety of essential industries, such as medicine, engineering, IT, technology, etc. Furthermore, these travellers are known in the tourism and hospitality industry as “big spenders” compared to the leisure tourists.

Importance of Customer Response in Hotels:-

Responsiveness is defined as the hotels ability to provide speedy as well as accurate information on the facility's available, services available, and willingness to help the customers.

Although there have been numerous studies dealing with service attitude and customer satisfaction, the issues related to MICE have not been specifically addressed. This study takes a customer perception approach of service attitude affecting the satisfaction of the customers who have come to the hotel to enquire for MICE business. It has been found that the importance of employee attitudes towards the customers who have come to get information on MICE business service and the level of satisfaction with the service vary significantly among customers, they feel that employees must be able to attend to their problems, solve their queries and more effectively clear their doubts, and the customers should not feel that they have been treated unfairly. These findings could furnish managers with useful information for effective communication by the hotel staff and personnel training.

Theoretical framework:

Customer satisfaction is one of the most essential components of any business. If the customer is satisfied it is more likely that he or she will return seeking for the same experience or advice it to others. In the recent years, many organizations consider the phenomena of customer satisfaction very seriously. There has been many different names to the definition of customer satisfaction, among which are customer loyalty, customer relationships, customer experience, and much more. However the word “satisfaction” is the most appropriate label for the range of attitudes and feelings that customer hold about their experience with an

organization and Customer Response is considered a very important aspect related to customer satisfaction which the hotels should not neglect.

This paper tries to find the solutions for the same.

Research Methodology: -

The data for the research is collected from primary and secondary sources. This paper combines both qualitative and quantitative research methods in collecting the primary data. The primary data was collected using the survey which was carried through interviews conducted with the customers visiting these hotels and staff who were handling MICE business also this information was gathered through interviews, both, formal and informal from the target group, which were visitors and exhibitors.

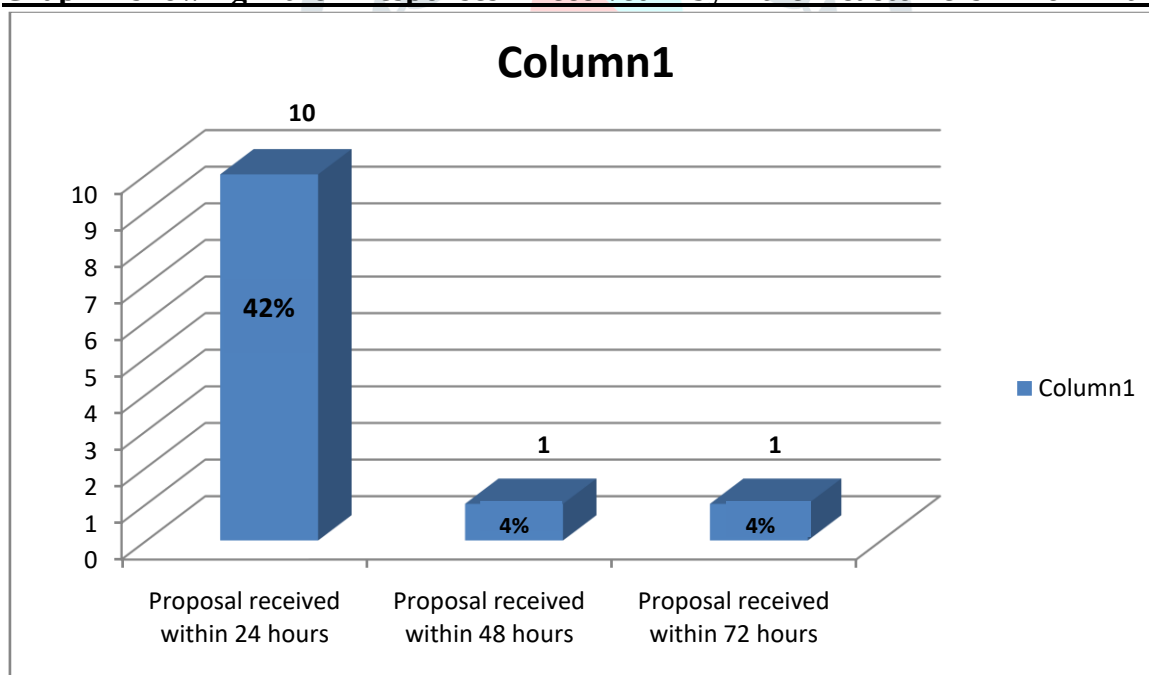
Problem Statement:-

Research problem this research is dedicated to find out what do MICE travellers experience and expect from the hotels, when enquiring for purposes of business meetings, incentive tours, conferences and congresses, events or exhibitions. This research aims to identify what aspects of the hotels in general can be improved and developed for this specific group.

What are the MICE traveller's expectations from the hotels?

What are necessary information in the hotel for the MICE segment?

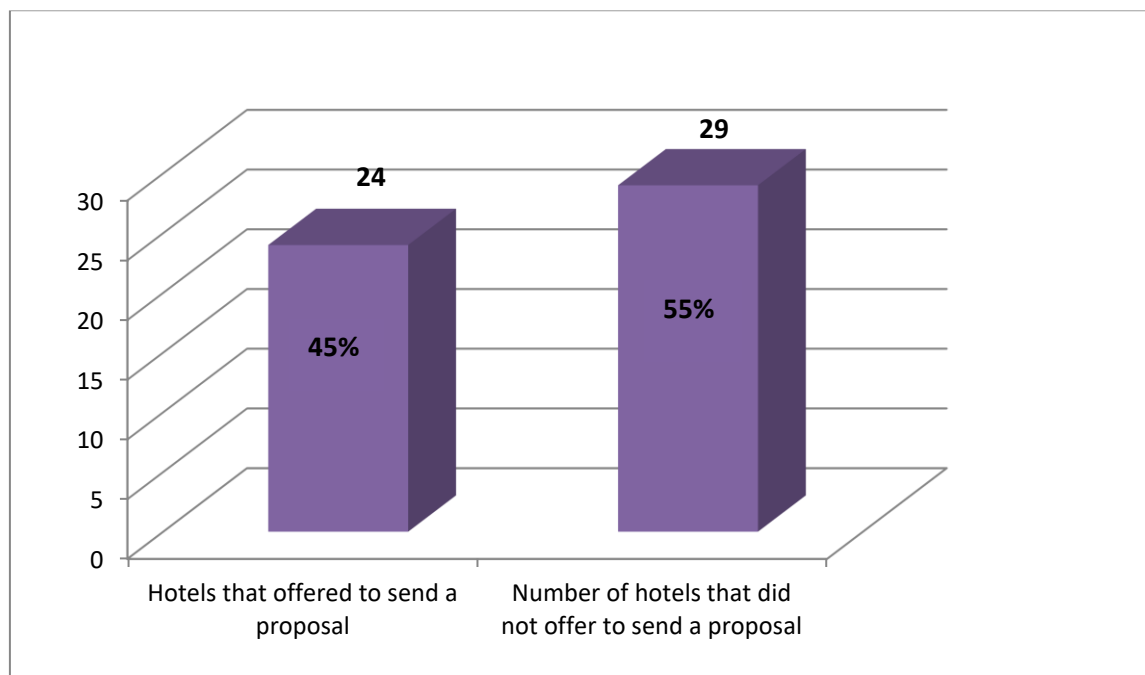
1) Graph showing the responses received by the customers from the hotels.



Findings:- From the above graph it could be seen that when the information and proposals were asked by the customers only 42% of the hotels were able to send the proposals within 24 hrs, only 4% of the customers were able to receive the proposals within 48hrs and 72hrs whereas around 50% of the customers did not receive the proposal.

1.1)

Graph showing number of hotels that send the responses for getting proposal to the customers



Findings: - – From the above graph it could be seen that around 45% of the hotels offered to send the proposal whereas more than 55% of the hotels did not send the proposal to the customers.

Hotels responsiveness has been assessed in terms of speed, flexibility, and willingness of the hotel to help its customers. This index is a new measurement for responsiveness, which could serve as a diagnostic tool for the hotel industry. This index is useful in assessing the current level of responsiveness and also useful as a benchmarking tool against competitors in the industry. These hotels were also contacted by the means of a phone call with appropriate fictitious company name, email, contact number and address, afterwards, the complete enquiry call was evaluated based on a set of criteria such as Communication, Customer orientation and sales behaviour.

In summary, there were not enough responses and the majority of those who did respond, did so in a very unconvincing manner, also very few hotels had an accurate description of the services offered and included concrete prices as well as an attractive layout.

A very poor follow up system by the hotel staff was also observed by the customers.

The results of the MICE analyses are sobering to say the least. Above all, the personal communication with the customer was insufficient and the significance of the personal contact not recognized, but how, if not through personal contact, does a hotel find out what the customer really wants?

Furthermore proper standards for preparing offers for even inquiries seem to be lacking. Classic sales rules, such as timely response, checking requirements prompt follow-up etc, were not followed. It is quite astonishing to see the response levels and complacency of employees.

Market orientation seems to be an important basis for cross-functional and inter-organizational information sharing. Information exchange, both internal and external, can explain over 50% of customer responsiveness, as perceived by hotel managers.

Summary:-

Hotels need to formulate stringent policies for response to any sales opportunity.

Those hotels that do establish and follow good MICE handling procedures are likely to benefit exponentially because of the continued upswing in MICE business.

Suggestions: -

After doing the survey it was found out that staff training programmes is very essential and should be carried on regular basis whereby the employees dealing with the MICE business must be well trained with all the details of information which a customer is likely to ask.

Seminars on employee development must be held frequently for the employees to make them aware about the new trends and recent happening in the hotels. Quality assurance via mystery calls and appropriate benchmarking, as well as sales management services and management strategy must be carried by the hotels.

Limitations:-

This study is likely to suffer certain limitations due to constraints such as time and resource since it was very difficult to get data from the hotels as many of them were reluctant to share the information, so most of the information was collected from the customers who came for enquiry for mice business.

Conclusion:-

Finally, the reduction in complaint and error may be achieved through a good training program on positive approach of the employees towards effective customer handling procedures. The findings of this study would help managers to make decisions and develop effective strategies or practices to be responsive towards their customers. Additionally, the relationship between customer responsiveness and the hotel performance has been investigated to see the effect of capability of responsiveness on hotel performance. The result of this survey showed that responsiveness would influence organizational performance in terms of hotel revenue, innovation, learning, complaints and error. This finding provides evidence to managers about the significance of being customer responsive to their organizational performance. Finally, the Responsiveness Index (RI) could be used as a diagnostic tool in assessing the ability of the hotel to be responsive towards its customers. The index would tell the hotel responsiveness levels. Secondly the improvement through innovation in communication may be achieved through a proper mechanism that can establish proper customer responses by the staff of these hotels.

Managerial Implications:-

The results of the research are expected to be useful for the Hoteliers whose objective is to see growth in MICE business. Today's managers may focus on cleanliness, comfort of rooms, service quality, quality of food and friendliness; but it also seems that both proper internal and external information sharing by the hotels employees as a part of customer satisfaction is also important antecedents of customer responsiveness.

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