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Service Distribution Strategy Development for MICE in Nakhon Si Thammarat Province, Thailand

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Abstract

Purpose: This study analyses the Service Development Strategy for MICE in Nakhon Si Thammarat Province, Thailand aim to 1) Investigate the current and desirable conditions of the service businesses in order to support the MICE 2) Undertake a SWOT analysis of service businesses with regard to supporting the MICE 3) Analyze service business distribution strategies development to support the MICE in Nakhon Si Thammarat Province. **Research design, data and methodology:** This study divided into 2 phases: Phase 1 involved qualitative research to study the process of service businesses in their support of the MICE. Phase 2 involved research and development with regard to the development of innovative service business development strategies to support the MICE. **Results:** The article showed that company executives and related parties understand the meaning of service business management to support the MICE to consist of 8 indicators: quality of meeting venues, access to meeting venues, meeting infrastructure, government support, additional activities in addition to meetings, the image and reputation of the city, MICE personnel, and security. **Conclusions:** Strategies for developing service business innovations to support the MICE consist of a proactive strategy, a preventive strategy, and a remedial strategy together with defensive strategies.

Keywords : Strategy Development, Service Business Innovation, MICE Industry

JEL Classification Code : M21, M31, O31, I25

1. Introduction

Meeting Incentive Convent and Exhibition (MICE) tourism plays an important role in the tourism industry since it can generate income for the nation. MICE tourists are quality tourists because they have high paying potential. Therefore, they are important in terms of generating a huge income for Thailand. This leads to a great need for personnel with knowledge, skills and expertise in this type of industry. Sandy and McCartney (2015) mention that MICE is an

aspect of the tourism industry relating to the holding of Meetings. Incentives for tourism, Conferences and Exhibitions. This leads to a well-organized and professional approach, in terms of service, location, and meeting arrangements, food and beverages, facilities, delivery of goods for display and so on. Thailand is one of the countries in Asia that has the potential to host MICE events. Such events can bring many benefits, both directly and indirectly, especially in terms of creating a good image for the country. However, Nakhon Si Thammarat still lacks international meeting venues. Transportation problems exist within the

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province in that it still faces traffic problem, chaotic traffic, the lack of an adequate transportation system, a lack of coordination between stakeholders, and an inefficient management system. These makes the MICE businesses in Nakhon Si Thammarat Province not as advanced or well-developed as it should be. In addition, the strategic plans of the Nakhon Si Thammarat Province emphasizes it being a city of culture, not a MICE city (Angpikul & Kim, 2009).

Therefore, the researcher is interested in studying the issue of MICE business management strategies in Nakhon Si Thammarat Province in anticipation of the results of this research being useful. The development of MICE businesses in Nakhon Si Thammarat Province would be a great contribution to economic development in that the municipality would be able to compete with competitors and to play a part in pushing Thailand to become the center of international conferences in Asia.

2. Objective

1. Investigate the current situation and the desirable conditions with regard to the service business supporting the MICE industry in Nakhon Si Thammarat Province.

2. Undertake a SWOT analysis of service businesses with regard to supporting the MICE industry in Nakhon Si Thammarat Province.

3. Using the TOWS Matrix model, analyze service business development strategies supporting the MICE industry in Nakhon Si Thammarat province.

3. Methodology

The researcher used both qualitative and quantitative research methods to access the knowledge and determine the MICE city development strategy of Nakhon Si Thammarat Province, Thailand. The research method was as follows:

1. Area of study; the researcher selected the area to be considered by using the purposive sampling method. This involved identifying outstanding and reputable service businesses in Nakhon Si Thammarat Province. The steps for selecting the study area were as follows: 1) The researcher gathered data with regard to outstanding and famous service businesses in Nakhon Si Thammarat Province. The researcher then determined the first criterion by deciding that the service business must have been in operation for at least 5 years, as well as creating a network to work with nearby service businesses. 2) These service businesses had to be in partnership with both the public and private sectors, as well as creating a working network with nearby service businesses 3) It had to be a service business that has service business management that is able to support the MICE

industry to make it evident and for it to be widely accepted.

2. Data Informants; Key informants for answering the questionnaire consisted of 400 MICE event participants. In addition, 16 business owners or business managers acted as key informants for in-depth interviews and focus group discussions. The key informants are as shown in Table 1.

Table 1: General information with regard to the key informants

No.	Name	Age (year)	Year of Experience in Managing in Service Business (Year)
1.	Manager A	54	13
2.	Manager B	49	19
3.	Manager C	57	21
4.	Manager D	51	14
5.	Manager E	48	12

Table 2: General information with regard to secondary informants (assumed name)

No.	Name(assumed name)	Gender	Age	Position
6.	Mr. Kruaymai	Male	45	Waiter
7.	Mr. Kalong	Male	51	Waiter
8.	Mr. Kaysad	Male	29	Waiter
9.	Mrs. Jamjuri	Female	54	Waitress
10.	Mr. Chongko	Male	46	Waiter
11.	Mrs. Chuanchom	Female	37	Waitress
12.	Mr. Dahla	Male	34	Waiter
13.	Mrs. Buha	Female	32	Waitress
14.	Mrs. Benjamas	Female	28	Waitress
15.	Mrs. Puangyok	Female	49	Waitress
16.	Mr. Wirongrong	Male	40	Waiter

3. Data collection methods consisted of 1) in-depth interviews. The researcher conducted in-depth interviews using a guideline based on common issues which were established in accordance with the framework for the research problem. There were with regard to how a SWOT analysis of the service business supports the MICE industry in Nakhon Si Thammarat Province, and how the service business development strategy supports the MICE industry in the same province. 2) Focus group discussion. The researcher conducted a focus group discussion with relevant persons or stakeholders. It focused on issues relating to service business management as to how it directly supports the MICE industry in Nakhon Si Thammarat Province. 3) Questionnaire: the researcher made use of a questionnaire sent to 400 respondents. This contained 6 points rating scale involving MICE event participants in Nakhon Si Thammarat Province. The questions related to the current condition and desirable condition of service businesses when it comes to

supporting the MICE industry in Nakhon Si Thammarat Province. 4) Observation: The researcher performed a completely non-participant observation (Observer-as-Participant), which consisted mainly of an observation supported by an interview. This involved observing the informants while had a conversation with them and noting their actions. In addition, the researcher asked for permission to accompany the informants in carrying out their activities in order to obtain more observation a data and to ask for additional information.

4. Research tools; in order to collect the necessary information, the researcher created a number of questions for the in-depth interview. The main questions acted as an Interview guide to cover the issues to be studied. This took the form of a preliminary interview framework in order to obtain information in order to provide answers to the research questions. However, such a guide needed to be flexible and one which could be adjusted at any time, both in terms of wording at the time of questioning and the order of precedence of the questions. The in-depth interview questions were reviewed and examined by 5 experts in order to make them reliable. In terms of the questionnaire, the items were reviewed and examined by 5 experts, after which a questionnaire pilot study involving 30 MICE event participants was trialed. These individuals were not part of the main sample used in this research in order to get a discrimination value. The researcher then selected those questions with a discrimination value of between 0.20 – 1.00. In fact, all questions were selected since their discrimination power ranged from 0.31 to 0.87. The researcher then asked a new group of 30 people to answer the questionnaire in order to determine the reliability of the items using Cronbach's Alpha Coefficient formula. It was found that the entire questionnaire had a reliability of 0.981.

5. Data analysis; for the in-depth interviews, the researcher analyzed the data as soon as a certain amount of data were collected. The information obtained from the data analysis in this early stage was then used as a guide to collecting data in the next step. It was also used as information to improve or to redefine the sub-questions. Therefore, the data collection and data analysis were done simultaneously. The research data was analyzed by using SWOT analysis and TOWS Matrix analysis. In terms of the questionnaire, firstly, its discriminant and confidence values were analyzed, and secondly, the arithmetic mean and standard deviation of the present condition and the desired condition of the service businesses in support of MICE industry in Nakhon Si Thammarat Province were determined, together with the percentage analysis for the nominal variables that make up the basic data.

4. Research Results

The results of this research began with a consideration of the quantitative research method used and the results of the development of service business innovation development strategies to support the MICE industry in Nakhon Si Thammarat Province. These are as follows:

4.1. Investigation of the Current and Desirable Conditions with Regard to the Service Businesses Supporting the MICE Industry in Nakhon Si Thammarat Province

The overview of all aspects of the current situation of service business management when it comes to supporting the MICE industry in Nakhon Si Thammarat Province was at a high level ($\bar{x} = 4.75$, S.D. = 0.443). When considering each aspect, it was found that the quality of the MICE venue in Nakhon si Thammarat was at a high level ($\bar{x} = 4.84$, S.D. = 0.418) in that it had the highest arithmetic mean, followed by government support which was at a high level ($\bar{x} = 4.84$, S.D. = 0.685). Finally, security was at a high level ($\bar{x} = 4.81$, S.D. = 0.489). On the other hand, the overview of all aspects of desirable conditions in the opinion of service business management to support the MICE industry in Nakhon Si Thammarat Province was at the highest level ($\bar{x} = 5.27$, S.D. = 0.498). When considering each aspect, it was found that the quality of the MICE venue was at the highest level ($\bar{x} = 5.55$, S.D. = 0.483) in that it had the highest arithmetic mean, followed by government support which was also at the highest level ($\bar{x} = 5.48$, S.D. = 0.562) followed by security at the highest level ($\bar{x} = 5.40$, S.D. = 0.452).

With regard to the desirable management of service business to support the MICE industry in Nakhon Si Thammarat Province, it was found that the quality of the MICE venue has the highest level of need (PNI Modified = 0.147), followed by access to the MICE venue, (PNI Modified = 0.143) and MICE infrastructure (PNI Modified = 0.134). Consequently, the researcher analyzed the current MICE situation in order to develop the service business innovation development strategy to support the MICE industry in Nakhon Si Thammarat by considering the quality of the MICE venue (PNI Modified = 0.147), the accessibility of the MICE venue (PNI Modified = 0.143), and the MICE infrastructure (PNI Modified = 0.134), Government support (PNI Modified = 0.132) and security (PNI Modified = 0.123), which overall has the level of need (PNI Modified = 0.111).

Table 3: Service business to support the MICE industry in Nakhon Si Thammarat Province.

Service business to support the MICE industry in Nakhon Si Thammarat Province.	Current Situation		Desirable Situation		PNI _{Modified}	Rating
	\bar{x}	S.D.	\bar{x}	S.D.		
Quality of the MICE venue	4.84	0.418	5.55	0.48	0.147*	1
Accessibility of the MICE venue	4.69	0.627	5.36	0.61	0.143*	2
MICE infrastructure	4.70	0.607	5.33	0.57	0.134*	3
Government support	4.84	0.685	5.48	0.56	0.132*	4
Additional activities	4.65	0.647	4.99	0.64	0.072	6
Image and reputation of the city	4.66	0.637	4.97	0.62	0.067	8
MICE personnel	4.73	0.676	5.05	0.6	0.068	7
Security	4.81	0.489	5.40	0.452	0.123*	5
Overall	4.74	0.443	5.27	0.49	0.111	

4.2 The Results of SWOT Analysis of Service Businesses to Support the MICE Industry in Nakhon Si Thammarat Province

Table 4: SWOT analysis of service businesses to support the MICE industry in Nakhon Si Thammarat

Main issue	The results of analysis			
	Strengths	Weaknesses	Opportunities	Threats
The venue is suitable for holding a seminar.	√			
The meeting venue has a unique modern design.	√			
The location of the meeting venue is appropriate and offers easy access	√			
The parking is safe.	√			
There is a lack of public transport support and coverage				√
The traffic system is not effective				√
Provincial development plans support the MICE industry			√	
There is a coordination between many parties.			√	
There is a integration with various sectors.			√	
There is a support in terms of policy, personnel and budget.			√	
There is a support for the marketing activities of MICE businesses.			√	
There is MICE unit to support MICE activities				√
There is a comprehensive security policy		√		
There is a lack of safety and security activities to prevent risks and dangers.		√		
There is a lack of plans for implementation in terms of safety actions		√		
There is a lack of security checks and corrective actions.		√		
There is a lack of assessment management and continuous improvement.		√		

4.3 The Results of Analysis of Service Business Development Strategy to Support MICE Industry in Nakhon Si Thammarat Province by Using TOWS Matrix Model

Table 5: Analysis of Service Business Development Strategy to Support MICE Industry in Nakhon Si Thammarat Province by Using TOWS Matrix Model

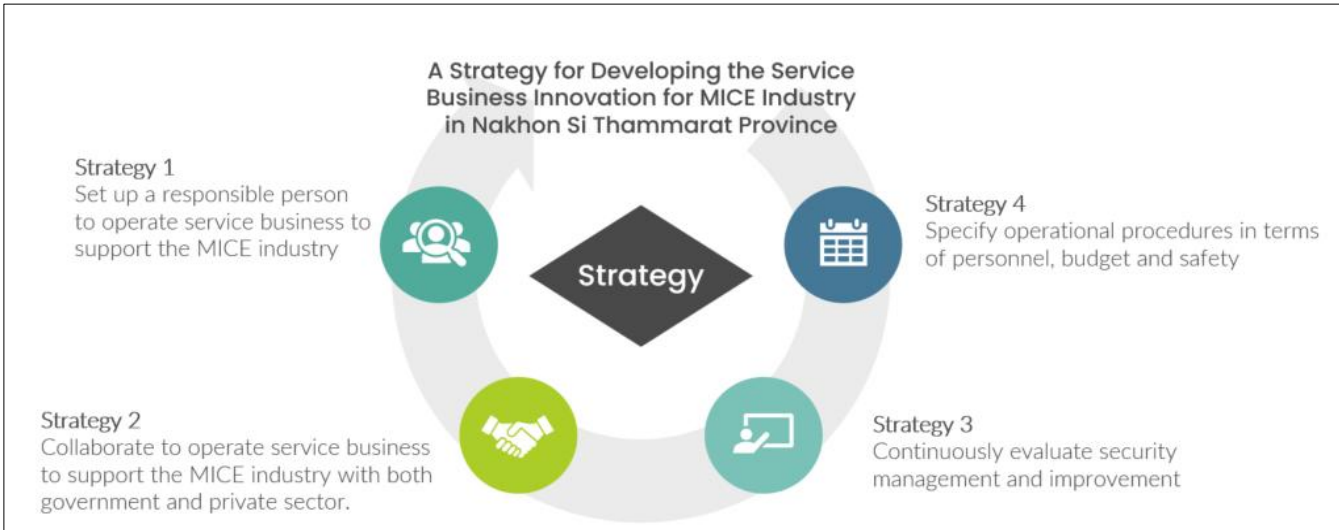
	Internal Opportunities (O) 1. Setting provincial development plan in various areas to support MICE industry. 2. Coordination between many parties.	External Threats (T) 1. There is an infrastructure and a logistical system to support MICE industry. 2. There is an efficient traffic system to service users
External Strengths (S) 1. The meeting venue is suitable for holding a seminar. 2. The meeting venue has a unique local design.	SO 1. Planning to support the quality improvement of the meeting venue. 2. Operating service businesses to support the MICE industry	ST Collaborating to operate the service businesses to support the MICE industry.

<p>Internal Weaknesses (W)</p> <ol style="list-style-type: none"> 1. Setting safety and security activities to prevent risks and dangers. 2. There is a plan for implementation and safety actions 	<p>WO</p> <p>Specify operational procedures in terms of personnel, budget and safety.</p>	<p>WT</p> <p>Continuously evaluate security management and need for improvement. IS THIS WHAT YOU MEAN?</p>
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5. Summary and Discussion

A Strategy for Developing the Service Business

Innovation for MICE Industry in Nakhon Si Thammarat Province by using the TOWS Matrix model can be summarized as shown in the Figure 1.



Source: The author

Figure 1: A Strategy for Developing the Service Business Innovation for MICE Industry in Nakhon Si Thammarat Province.

From Figure 1 the strategy for developing the service business innovation for MICE Industry in Nakhon Si Thammarat Province can be described as follows:

1. Venues: it was found that the attendees to the meeting were given the highest priority in terms of the quality of the room and of the facilities. This was because the venue fully provided the appropriate facilities, decorated them appropriately and made them suitable for using the service, and organizing various events. In addition, the Thailand Convention and Exhibition Bureau (TCEB) (2017) mentioned various internal factors that help to promote Thailand's potential as an international MICE destination. It was said that the quality and the volume of accommodation affected the decision-making of travelers to travel in order to attend the meeting. This is consistent with Kaler's theory of tourism marketing. Jones and Brewer (2001) mentioned that the venue factor is the building's venue and the physical factors are the design and atmosphere of office buildings, business venues and travelling service venues for tourists. Venue is the most important factor in terms of maximizing the efficiency when it comes to communicating information about products and services. It can also help communicate

clearly and create awareness for tourists, which results in stimulating them to travel. This is related to the work of Speakman and Sharpley (2012) who studied marketing mix development. They found that products and services link to physical facilities and to the quality of additional services such as meeting equipment.

2. Accessibility: it was found that MICE business participants preferred attention being paid to the accommodation to ensure that it was located near to where the MICE events take place. This is because they need accessibility when it comes to attending activities. Additionally, Thailand Convention and Exhibition Bureau (TCEB) (2017) stated that internal factors that enhance Thailand's potential as an international convention destination is accessibility. This means the availability of flights and their duration from abroad to Thailand and the links to major cities abroad. This relates to the concept of service excellence strategy which is in line with the idea that Uansa and Binprathan (2018) put forward that the ability to achieve access and engage with customers is everyone's responsibility. Customers will naturally have different needs. Therefore, all staff should be prepared to provide a

great service to meet and to exceed the different types of customers' needs. When they receive services that meet their needs, then they will expect that they will receive the same services at all the time. This will automatically create a standard or criteria for hospitality that has been set up in the customer's mind. This means that they then start to compare the services recently received with those in the past. The results can appear in two ways: 1) they will continue to use that service because they are satisfied with the quality of the service, or 2) they will stop using that service because they have not received the quality of service that meets their expectations.

3. Accommodation: it was found that attendees who participated in MICE activities focused on accommodation as a significant factor, because this is where they can relax, have some privacy and get the service they request. Moreover, Adros and Wee (2019) also mentioned that MICE business in Thailand is very popular because Thailand has a unique geography and climate. Furthermore, there are distinctive cultures and traditions, and also various facilities and tourist attractions. This relates to the findings of Kuo et al. (2010) who showed that tourist service and security is a mix of marketing factors that affects.

4. Public and private support: it was found that the MICE business participants rated the importance of the security policy of the province highly. This is in line with the findings of Haven et al. (2007) who studied the readiness of the city where MICE business takes place. The indicators were used to study the readiness of the city in terms of developing MICE tourism and using indicators of public and private support to assess the province's potential. Therefore, government policy formulation with regard to provincial development, preserving the environment, and security, are important indicators in terms of increasing the potential of the province, which is in line with the concept of Uansa-ard and Binprathan (2018) who stated that Thailand has tourist attractions sufficient to support a variety of tourism. Moreover, the government has invested in infrastructure and utilities to facilitate tourism.

5. Tourist attractions: it was found that the MICE participants rated the importance of the variety of tourism and interesting tourist attractions. In addition, Alananzeh et al. (2019) said that the MICE industry is a national strategic industry and the country must be ready to provide abundant resources to support MICE business. This includes venues, various attractions and unique aspects of traditional culture. This view is related to the concept put forward by Wang and Luo (2018) who mentioned that tourism is about contacting and relating to the activities of a person, to allow them to relax and to engage in business activities. The country must have a variety of facilities and a social exchange economy and culture in order to provide the basic elements of traveling. Srivastava and Chauhan (2023) studied the

potential assessment of convention center facilities in terms of the marketing of conferences, exhibitions and international exhibitions in Bangkok and the surrounding area. Their findings are consistent with this research that the attractiveness of tourist attractions is used as key indicators to evaluate the potential of convention centers.

6. Provincial image: it was found that the participants rated the interest of the province highest. Nakhon si Thammarat has a variety of cultural tourism attractions. MICE attendees can travel or engage in activities during their conference such as praying to sacred item and finding out about the indigenous culture. Secondly, infrastructure/ utilities of Nakhon Si Thammarat show that it has enough tourism potential to accommodate a group of people who will attend the conference as well as engaging in a variety of activities such as visiting tourist attractions, restaurants and so on. Furthermore, Smagina (2017) said that the MICE industry is very popular because has a unique geography and climate, culture, interesting traditions and various facilities and tourist attractions This is similar to the concept of service in the modern management era (Modern Service Strategy). It is a method or approach to modern service which focuses mainly on the needs of customers. The service provider will put in place in advance a service plan in order to meet the highest demands of customers. This can create a competitive advantage by applying the new concept of marketing that focuses on customers as a mechanism to drive the operations of the organization. In addition, the concept of Holistic Marketing describes customer centricity as a service focusing on the specific needs of customers to provide customers with the highest level of satisfaction. This is consistent with Chompupor (2023) who examined the readiness of the business city in terms of organizing meetings or MICE and who found that they need a good image suitable for meetings and tourism.

7. Personnel: in terms of the staffs' ability, it was found that the MICE business attendees who used the service rated the importance of professionalism highest, followed by convenience and speed of service. These express the idea that the event organizers can operate the event efficiently or not. Smagina (2017) mentioned that the important factors that can enhance the ability of MICE businesses to organize international conferences is the quality and standard of service. Perhaps, if the service is poor, this will result in problems and obstacles to MICE operations. This especially relates to the international market. Therefore, it is necessary to employ experienced workers and provide quality service training, since it is very significant for the tourism business. According to the concept of service excellence strategy proposed by Lee and Park (2023), the progress of the organization in terms of human resource development is training, promotion and employee knowledge and skill development, to enhance the experience and the ability of

staff to serve customers effectively. There should be practical steps in terms of service development by which employees gain knowledge, understanding, good attitude, skills and also experience in providing services. Service providers should firstly have service in mind since customers love quality service and providers have to understand how to provide excellent service to their customers. This related to Tinnish and Mangal (2012) who studied the development of the MICE business alliances (MICE) of hotel operators, and found that training, providing excellent fast and efficient service, foreign language training, determining qualifications to recruit people with experience in MICE, creating a good business culture and encouraging people to work as a team. All of these are at the heart of success in organizing meetings and conferences.

8. Security and safety, it was found that the MICE business participants emphasized the importance of a high standard of security. Service businesses should adopt the MICE Security Management Standards (MSMS). Moreover, organizers, exhibitors and service providers should put in place a safety policy that covers all departments in order to build confidence on the part of event attendees in Nakhon Si Thammarat Province.

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