

Mice Tourism Development Strategy: Makassar City

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Abstract - This paper explores the applicability of MICE tourism development strategy. To plan and implement this, different management and decision making tools were used including literature study, surveys and interviews as well as SWOT analysis. A series of interviews was conducted in order to identify actions taken by governmental bodies responsible (e.g., Makassar Department of Tourism). In addition, the stakeholders of the MICE were surveyed and interviewed to assess the rate of fulfillment of MICE tourism development in the Makassar City. Results showed that the existing MICE tourism activities in the Makassar city did not conform to main MICE tourism destination requirements. Thus, a SWOT analysis was used to identify the required management strategies to improve the MICE tourism activities in the Makassar city.

Keywords: MICE, Destination, Tourism, SWOT

I. INTRODUCTION

MICE (Meeting, Incentive, Conference, and Exhibition) is growing rapidly in Europe and North America. This is evidenced by the MICE sector progress since 1994-1998 has increased annually reaching 31%¹². The activity of MICE has opened up new jobs, not just create a seasonal workforce alone but also has created a permanent job for many people who have the ability, not unlike the many tourism businesses were created in the developing countries. The increase in industrial activities in Europe and North America also continued into the Asia Pacific and the Middle East. This is evidenced by the number of meetings per country in the Asia-Pacific and the Middle East including Indonesia is a country based on data from the ICCA (International Congress and Convention Association) put

Indonesia on # 11 with the number of activities meeting by as much as 89⁶.

Now large cities in Indonesia become a destination city MICE such as Bali, Jakarta, Yogyakarta and Bandung.

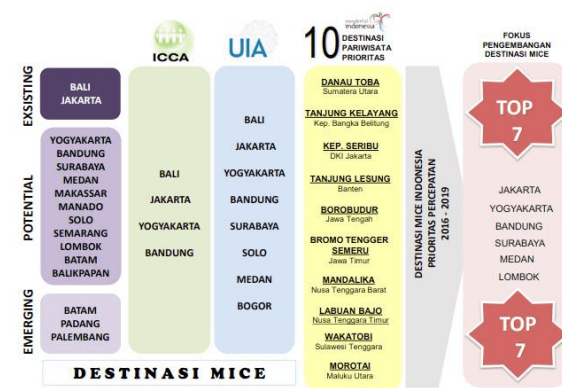


Fig. 1. MICE Destination Zoning

Proven by obtaining data from Statistical Report on Visitor Arrivals to Indonesia 2009 – 2011, which mentioned that foreign tourists to visit Indonesia to MICE reach 40.09% while for 53.15% of tourists and other 6.76%⁵. Makassar city is one of the top ten city destinations MICE are on the five in Indonesia¹⁰. Astronomically, Makassar Municipality is located between 119°24'17'38" East Longitude and 5°8'6'19" South Latitude, in terms of geographic position, Makassar Municipality has boundaries as follows: North – Maros Regency; South – Gowa Regency; West – Makassar Strait; East – Maros Regency. The area of Makassar Municipality is 175,77 square km which include 15 district, In administrative, Makassar Municipality

has 15 district, these include: Mariso, Mamajang, Tamalate, Rappocini, Makassar, Ujung Pandang, Wajo, Bontoala, Ujung Tanah, Tallo, Panakkukang, Manggala, Biringkanaya Tamalanrea, and Sangkarrang District. The geographical advantage it gives particular influence to increased visits to the city of Makassar².

Now, the number of rooms at the all hotel stars to the top in the city of Makassar as much as more than 500 rooms. In terms of accessibilities, infrastructure and facilities, the city of Makassar did have adequate infrastructure and facilities for MICE activities, so it is not wrong if the past five years occupancy rate of hotels in the city of Makassar dominated by participants of the MICE. Good organization of the MICE from local government as well as from segment markets nationally and internationally. Facilities and infrastructure became a cause factor Makassar city as a tourist destination like the MICE infrastructure that is a smooth Highway and highway accessibility, i.e. first-class seaport and airport as well as international scale Convention centers that can accommodate more than 2,500 people. In addition, the supporting facilities such as food and the presence of MICE Trans Studio becomes a value added of Makassar as the host organization of the MICE⁴.

Regarding MICE tourism in Makassar city, there are some prior studies have attempted to do. Arifin tried to identify the potentials of convention or MICE tourism in Makassar city of South Sulawesi using qualitative descriptive evaluation methods. This research concluded that Makassar city has good potentials on the MICE industry. As a metropolitan city, Makassar city can play the role to be one of the conventions or MICE tourism destination in Indonesia. Because Makassar has completed facilities for the convention activities such as conventions center, stars hotels, international airport and others. Those potentials cannot be exploited well without supported by the government and other stakeholders. The convention or MICE tourism potential has to be managed comprehensively, professionally and optimally¹. Dewi investigated the role of the tourist activity of convention/MICE in Makassar city. Where the influence of the tourist activity of convention/MICE in Makassar city plays a role in the increase in the length of stay and how the role of the business sector as the MICE was the main income of the hospitality industry in the city of Makassar³.

Achieving MICE tourism development, there are a few things to note, among others: Accessibility, Image Destinations, Stakeholder Support, interesting places, Meeting facilities, large-scale facilities, State of the environment-friendly accommodations, on-site exhibits and professionalism Human Resources (HR)⁸. Therefore, here in the implementation of MICE tourism development was examined through interviews with governmental bodies, officials, and staff. In addition, the users were also taken into consideration so as to reveal their experience and discover how well the current management and activities satisfy their demands by utilizing interviews and surveys. Plus, since stakeholders is an essential element in MICE tourism development, a interview was carried out to obtain their comments.

As the results unveiled a gap between what should be and what happens to be, a SWOT analysis was carried out so as to wisely implement the MICE tourism development in Makassar city in the future. Thus, this analysis focuses on the strengths and weaknesses (internal factors) as well as opportunities and threats (external factors) in this Makassar city regarding MICE tourism development and the corresponding strategy.

II. RESEARCH METHOD

A. Study Area

Makassar city is one of the fourteen city destinations MICE are on the five in Indonesia Makassar is a City Municipality and the capital of South Sulawesi province⁷.

Cities	Accessibilities	Venue	Supporting Services					
			PCO's	PEO's	Conv Bureau	Fwding	TA/T O	Stand Contract or
Makassar	Hasanudin Int'l Airport (1 Int'l flight)	Hotels (More than 500 Rooms) & Convention Centers (Up to 2.500 people)	✓	✓		✓	✓	✓
Manado	Sam Ratulangi Int'l Airport (2 Int'l flights)	Hotels (More than 500 Rooms) & Convention Centers (Up to 2.500 people)	✓	✓		✓	✓	✓
Palembang	Mahmud Baddiudin II Int'l Airport (2 Int'l flights)	Hotels (More than 500 Rooms) & Convention Centers (Up to 2.500 people)	✓	✓		✓	✓	✓
Balikpapan	Sepinggan Int'l Airport (3 Int'l flights)	Hotels (More than 500 Rooms) & Convention Centers (Up to 2.500 people)	✓	✓		✓	✓	✓

Fig. 2. Makassar's MICE competitiveness

However, fact the tendency of hotel room occupancy rate in Makassar that still relies on the activities of the Meeting, Incentive, Conference, and Exhibition (MICE). Hotels still rely on MICE, but it is rarely held on holidays. Now, the number of rooms available in the city of Makassar around more than 600 rooms⁵. In terms of infrastructure and

facilities, the city of Makassar did have adequate infrastructure and facilities for MICE activities, so it is not wrong if the past five years occupancy rate of hotels in the city of Makassar dominated by participants of the MICE. Good organization of the MICE from local government as well as from segment markets nationally and internationally. Facilities and infrastructure became a cause factor Makassar city as a tourist destination like the MICE infrastructure that is a smooth Highway and highway accessibility, i.e. first-class seaport and airport as well as international scale venue activities i.e. building Celebes Clarion Convention Center and Convention Hall. In addition, the supporting facilities such as food and the presence of MICE Trans Studio becomes a value added of Makassar as the host organization of the MICE¹¹.

B. SWOT Analysis

A SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis is a research method to analyze a certain status-quo. SWOT analysis, also known as SWOT matrix, has often been used in field of business and extended to that of natural resource management in order to assess a given decision, project or policy directive in a systematic manner⁹.

This method is based on two tiers of analysis which are conducted separately:

- 1) First step is to analyze the internal factors (local analysis) which contain a discussion on strengths and weaknesses according to the aims of the SWOT;
- 2) Second step is to analyze the external factors (global analysis) which contain a discussion on relevant opportunities and threats (positive/negative framework conditions, potential chances and risks)

Scanning the internal and external factors is an important part of a strategic planning process which in turn is a component of development strategy. Such an analysis of the strategic environment is instrumental in formulation and selection of a strategy. In this study, the SOWT analysis was conducted on Makassar city to examine the MICE tourism development strategy. First, the internal environmental factors of the Makassar city were classified as strengths (S) or weaknesses (W) and those external were classified as opportunities (O) or threats (T). Accordingly, a list of SS and WS and a list of OS and TS were drawn. The former was

tabulated in the Internal Factor Analysis Summary matrix (IFAS) and the latter was tabulated in the External Factor Analysis Summary (EFAS). Next, these factors were weighed and scored and the final score was calculated. The following section elaborates the scoring process for S and W:

- a) The factors were given a coefficient between 0 and 1, standing for “not important” and “most-important”, respectively. This coefficient represents the relative significance of the factor in success rate and is represented by this term; weight in the IFEM. Despite the fact that each factor is considered an internal strength or weakness, the more effective the factor in strategy MICE tourism development, the higher the allotted weight will be.
- b) Each factor was scored between 1 and 4, 1 standing for fundamental weakness, 2 for minor weakness, 3 for strength and 4 for great strength. These scores were based on the activities taking place in the Makassar, coefficients used in the above stage and city's status.
- c) To determine each factor's final score, its weight was multiplied by its score.
- d) Once each factor's total score was calculated, they were summed to calculate the total final score of IFAS.
- e) If this value was less than 2.5, it meant that the strengths were less than weaknesses; if it was more than 2.5 strengths were more than weaknesses.
- f) These steps were repeated for EFAS as well. If this value was less than 2.5, it meant that the opportunities were less than threats; if it was more than 2.5, opportunities were more than threats¹³.

Table 1 Internal Factor Analysis Summary (IFAS)

No	Internal Factor (S-W)	Score (1-5)	Weight	Score	S x B	S	W
Strengths							
1	The Strategic location of the city of Makassar as the gate of eastern Indonesia.	5	0.13	5	0.63	S1	
2	The existence of the international recognition of the existence of Makassar city as one of the "World Heritage Cities"; in the presence of Tana Toraja	3	0.08	3	0.23	1	
3	Adequate infrastructure and Aksesibilitas a. Land: supported by an extensive road transport as well as road conditions seamlessly b. Sea: there are Soekarno-Hatta Port c. Air: there are Hasanuddin Airport International	5	0.13	5	0.63	S2	
4	A lot of the planning and construction of the new Hotel	4	0.10	3	0.30	1	
5	Experience the city of Makassar in an international-scale event e.g. Centrist Asia Pacific Democrats International (CAPDI), 19-21 in May 2013 and The Lions Club International's 37th District 307, 23-25 May 2014.	4	0.10	4	0.40	S3	
Weaknesses							
6	The lack of human resources professionals in the field MICE (Professional Conference Organizer)	4	0.10	1	0.10		W1
7	The absence of Linkages or a nice Synergy between tourism attraction	3	0.08	2	0.15		1
8	Low levels of security in the city of Makassar	4	0.01	2	0.20		W2
9	Lack of cooperation between Sector Stakeholders as well as Organizing the Sector still weak	3	0.08	3	0.23		1
10	The limited number of large-scale International Convention Center facilities, especially the needs of the parking area	5	0.13	2	0.25		W3
	Total	40	1.00				

Table 2 External Factor Analysis Summary (EFAS).

No	External Factor (S-W)	Score (1-5)	Weight	Score	S x B	O	T
Opportunities							
1	With its position as a major city and the entrance gate to Eastern Indonesia, became a strategic position for the western part of Indonesia and liaison to the East.	4	0.10	3	0.30	1	
2	Indonesia's tourism Ministry Marketing policy put Makassar city as one of the 14 MICE destinations in Indonesia.	5	0.13	5	0.63	O1	
3	Makassar city is the entrance for tourists who want to visit the National Park Marine Takabonerate (Selayar) and Tana Toraja is one of the leading National Tourist attraction.	3	0.08	2	0.15		1
4	Cooperation between regions (development region MAMINASATA) so they can share experiences, particularly in the framework of the provision of public services are cheap and easy for the community.	5	0.13	5	0.63	O2	

5	The rebuilding Center Point of Indonesia which is an integrated development area covering an area of 600 Ha, which summarizes some of the functions of the property at the same time in one area of development.	3	0.08	2	0.15		1
6	The available shopping center, city walk, hotels, parks, offices, automotive Center, shop, hospital, school and exhibition space.	4	0.10	4	0.40	O3	
7	The Number Of Foreign Tourists Arrivals Increase Every Year	3	0.08	2	0.15	1	
Threats							
8	Geographical Makassar city which is close to the city of Manado, the city has an interesting tourist attraction and tourism attraction and Flagship national (National Park of Bunaken Sea). In addition, it is also one of the MICE destination in Indonesia that has been set by the Government.	5	0.13	2	0.25		T1
9	The growing consumerist culture.	3	0.08	3	0.23		1
10	A lot of congestion and chaos-prone	4	0.10	1	0.10		T2
11	Less anticipated technological advances	4	0.10	1	0.10		T3
12	Manado city as the capital of North Sulawesi province has good infrastructure development plans.	3	0.08	2	0.15		1
Total		40	1.00				

III. RESULT

After primary and secondary data collection, SWOT analysis was performed to assess the feasibility of MICE tourism in Makassar city by analyzing the results and determining the priorities.

1) Internal Factor Analysis Summary (IFAS)

Regarding strengths, 5 factors were identified. The position of the main city of Sulawesi Island and entrance gate to Eastern Indonesia and adequate infrastructure and accessibility had the highest weight. The weight allocated to these factors amounted between 0.08 and 0.13 and the effectiveness score ranged between 3 and 5. When considering weaknesses, 5 factors were detected. Lack of professional resources in MICE (Professional Conference Organizer) and low-level security had the highest weight i.e. 0.13. The lowest weight was 0.01. The effectiveness score ranged between 1 and 3. Totally, the final score was 3.12. The results of this stage are shown in Table 2.

2) External Factor Analysis Summary (EFAS).

There were 7 factors pertaining to opportunities. Indonesia's tourism Ministry Marketing policy put Makassar city as one of the 14 MICE destinations in Indonesia, and Cooperation between regions

(development region MAMINASATA) so they can share experiences, particularly in the framework of the provision of public services are cheap and easy for the community had the highest weight, The position of the Makassar city is the entrance for tourists who want to visit the National Park Marine Takabonerate (Selayar) and Tana Toraja is one of the leading National Tourist attraction, The rebuilding Center of Indonesia which is an integrated development area covering an area of 600 Ha, which summarizes some of the functions of the property at the same time in one area of development, and Number of Foreign Tourists Arrivals Increase Every Year had the lowest weight. The effectiveness score ranged between 3 and 5. In case of threats, 5 factors were recognized. The highest weight allocated to 5 factors amounted to either 0.13 or 0.08, and the effectiveness score ranged between 3 and 5. Ultimately, the final score was 3.24. Table 2 summarizes the process and the outcome of external factor analysis.

The value of external factors equaled 3.24; implying that opportunities were more than threats. The value of internal factors was 3.12, so the strengths were less than weaknesses. In other words, although the Makassar city is seen to have significant potential for MICE tourism development, MICE tourism is not a well-

developed industry in Makassar city. Indeed, it can be concluded that the MICE tourism does not support tourism development in Makassar city based on the current state of management and resources, tourism, and socio-economy of the area. It means that the MICE tourism development neither conserves the area nor benefits the local communities. Thus, the Makassar tourism development is in desperate need of strategies tourism plans in order to generate benefits for locals and minimize the adverse impacts of tourism.

As mentioned earlier, MICE tourism development is the main pivot for Makassar city development. To reach this, by pairwise matching SO, WO, ST, and WT, twenty-two key strategies were determined for this city.

The SWOT matrix is shown below:

- a) S-O strategies proposed opportunities that fit well with the city's strengths.
- b) W-O strategies to overcome weaknesses to suggest opportunities.
- c) S-T strategies to identify the ways that can be used to reduce vulnerability to the external threats.
- d) W-T strategies to establish a defensive plan to prevent the city's weaknesses from making it highly susceptible to the external threats.

MICE tourism development strategies in Makassar City.

S-O Strategies

1. Strengthening the presence of Makassar city as the main destination for MICE in eastern Indonesia, through any kind of potential there is.
2. Strategic position as the gateway of eastern Indonesia should be utilized when planning for the development of the tourism MICE
3. Increase the volume of the activity post by offered event with a visit to a tourist attraction and shopping center in the city of Makassar
4. Synergize with all stakeholders in strengthening the image of the city of Makassar.
5. Taking advantage of the future income of the tourism industry to enhance the local host income.

WO Strategies:

1. Conduct training as well as human resources in the following competence in the field of MICE.

2. Improve connectivity between tourist attraction
3. Increase cooperation between agencies and stakeholders
4. Allocating budget to establish MICE tourism facilities and infrastructures
5. Supporting and funding to improve security level
6. Facilitating the tours operated by tour operators with the collaboration of the authorities.

S-T Strategies:

1. Strengthen product differentiation with the nearest tourism destinations.
2. Increase the productivity of local communities by involving directly as labor in the field of tourism.
3. Facilitating education and training in the field of technology.
4. Develop the engineering model of accessibility and securities
5. Create synergy/linkages between tourism attraction from one city to another city.
6. Participatory Stakeholder in each city coordinate in shaping the market competition healthy MICE industry

W-T Strategies:

1. Building roads suitable for tourism and reducing tourist congestion in just one route.
2. Increasing professionalism in organizing the event, through education and training.
3. Improvement of security level
4. Do the synergy and cooperation with nearby towns in order to create a healthy competition in the industry of MICE.
5. Make the standardization of facilities and implementation in MICE

IV. CONCLUSIONS

This study examines the strengths, weaknesses, opportunities and threats of tourism development Makassar city as MICE tourist destination. The main factors which influence MICE tourism destination development in the Makassar city have been identified and analysed with SWOT matrix. The current and future situation of MICE development in Makassar city is criticized by means of quantified SWOT analysis. Accordingly, Makassar city has a great potential development as MICE tourist destination. The strong points are the position of the main city of Sulawesi Island and entrance gate to Eastern Indonesia, adequate

infrastructure and accessibility, adequate attraction/MICE event, and adequate venue facilities. However, its lack of Professional Conference Organizer, low level security, lack of support from stakeholders and promotion are inadequate due to local host lack of attention to MICE industry. These results may help the stakeholders to analyze the problem of MICE tourist destination and determine the potential improvement actions. Consequently, this paper provides an important alternative for further research projects on implementation of development strategy MICE tourist destination.

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