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A Comparative analysis of mice destinations between Macau and Singapore

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A COMPARATIVE ANALYSIS OF MICE DESTINATIONS
BETWEEN MACAU AND SINGAPORE

by

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PART ONE

Introduction

Macau is probably best known worldwide for its gaming industry which has always been a staple of its economy and has surpassed Las Vegas as the world's biggest gambling market in 2006 (Cheung, 2007). After its return to Chinese rule in 1999, the Macau Special Administrative Region (SAR) government decided to diversify its economy and liberalized the gaming market with an aim to transform the territory into a centre of gaming, cultural events, conference and exhibition (Pao, 2004). Recognizing the economic benefits of MICE, the SAR government aims to nurture the city into a prominent MICE destination (Macau Government Tourist Office [MGTO], 2002, 2006). In less than a decade, Macau's MICE and gaming industries have developed tremendously, driven by enormous integrated entertainment projects funded by huge amounts of investment capital from players like MGM Mirage, Wynn Resorts and Las Vegas Sands. Its profile was further lifted internationally with the opening of The Venetian Macao Resort Hotel, sister property of the iconic The Venetian Las Vegas.

In 2006, Macau organized 18% more international events than the previous year, lifting the total to 360 with 57,000 participants. This is a good 43% increase when compared to 2001 (MGTO, 2002, 2007a, 2007b). In the same year, Macau was ranked 107 by the Amsterdam-based International Congress and Convention Association's (ICCA) City Rankings. According to ICCA, Macau organized 11 meetings in 2006, more than doubled the 5 meetings organized in 2005 (ICCA, 2007).

Purpose

The purpose of this paper is to analyze and compare Macau's attractiveness as an international MICE destination with Singapore. Singapore was named by the Union of

International Associations in 2006 as “Asia’s Top City for Meetings for the Past 24 Consecutive Years and Third Top International Meeting City”. It also took the lead in the Asia Pacific region for the eighth time and ranked third worldwide in ICCA’s 2006 City Rankings. Some of the major events hosted by Singapore include the World Economic Forum on East Asia in 2007, the prestigious 2006 Annual Meetings of the International Monetary Fund and World Bank Annual Meetings which attracted more than 16,000 delegates and other participants from 184 member countries and the 117th Session of the International Olympic Committee Meeting in 2005. Backed by a strong track record in hosting major regional and international events and numerous awards and accolades, Singapore is the leading MICE destination in Asia.

The objective of the study is to evaluate Macau’s attractiveness as an international MICE destination in comparison with a leading MICE destination in Asia. The results of the comparative analysis will identify the strengths and weaknesses of the respective destinations. This study will also make recommendations on creating and maintaining competitive advantages in the respective MICE destinations.

The introductory section in Part One of this paper discusses the purpose and justification of the study, including any constraints placed on its breadth and depth. This will be followed by the literature review in support of the study in Part Two, where a set of destination attributes will be identified for evaluating a MICE destination’s attractiveness. The comparative analysis between Macau and Singapore will be presented in Part Three, with a discussion on the strengths and weaknesses of the respective MICE destinations. Recommendations on creating and maintaining the competitive advantages of the respective destinations will also be discussed in the concluding section of this study.

Justifications

There are numerous published articles on the measurement or analysis of attractiveness of MICE destinations. However, published articles on comparative analysis between MICE destinations in Asia are very limited. Furthermore, published articles which involved Macau are even more limited. An analysis of Macau on its own will only give an indication of its strengths and weaknesses as an international MICE destination. The comparison with Singapore will provide further insight on Macau's relative attractiveness as an international MICE destination. This paper will be one of the limited studies that investigate Macau's attractiveness as an international MICE destination versus a leading MICE destination in Asia. It should be of interest to the Macau SAR government to evaluate Macau's attractiveness in comparison with Singapore to better understand its strengths and weaknesses and position Macau as an attractive international MICE destination.

This study should also be of interest to the Singapore government as a current evaluation of its attractiveness as an international MICE destination and to identify areas for enhancement to maintain its competitive advantages against the backdrop of intensifying competition in the MICE industry. On a wider context, the destination attributes identified in this paper will also be useful to any country which is keen to evaluate its attractiveness as an international MICE destination and to identify areas which it can improve and create its own unique competitive advantages.

Constraints

This comparative study is exploratory in nature and analyzes the attractiveness of MICE destinations from the viewpoint of industry experts, namely meeting planners and meeting providers. The perspectives of meeting attendees have been excluded and accordingly the

destination attributes identified for evaluating the attractiveness Macau and Singapore as international MICE destinations may or may not be representative of attributes deemed pertinent to meeting attendees. A qualitative approach has been adopted for this exploratory study. As such, the results can be further verified with quantitative studies. Moreover, the number of industry experts interviewed for this study is small and the responses may not reflect and explain the perception of industry experts as a whole. Nevertheless, this study should provide the foundation for further research in this area.

Glossary

ICCA City Rankings. In order to be included, meetings must be attended by at least 50 participants; be organized on a regular basis; and move between at least three different countries (ICCA, 2007).

MICE. Meetings, Incentives, Conventions and Exhibitions (Cheung & Law, 2002). Although the MICE acronym is used throughout this discussion, the focus is primarily on conventions and meetings. The terms conventions, conferences and meetings are similar and frequently used interchangeably (Lee & Park, 2002). In this study, these terms will be used interchangeably.

PART TWO

Literature Review

As highlighted in Part One, the purpose of this paper is to analyze and compare Macau's attractiveness as an international MICE destination with Singapore. The literature review in support of the study is presented in this part of the paper. Firstly, the significance of meeting planners' influence on the destination selection process in an increasingly competitive MICE sector will be emphasized. Secondly, the common destination attributes considered important in destination selection from past researches will be identified. Finally, the results from past studies will be summarized to conclude Part Two of this paper.

Meeting Planners' Influence on Destination Selection

MICE is one of the fastest growing segments of tourism and hospitality industries worldwide (Fenich, 2001; Hing, McCabe, Lewis, & Leiper, 1998) generating lucrative direct and indirect revenue for host destinations (Lawrence & McCabe, 2001). This potential to yield higher than average receipts than other tourism sectors has enticed more cities to join in the competition to become choice destinations for MICE events (Go & Govers, 1999; Lee & Back, 2005). As a result, there has been a dramatic increase in competition among international MICE destinations in the past decade, fueled by the heavy investment in infrastructure, marketing and human resources (Weber & Ladkin, 2004).

Amongst the many different players in the MICE market, Go and Govers (1999) regarded the client, generally represented by the meeting planner, as the key decision maker. Kang, Suh, and Jo (2005), however, regarded meeting planners as the gatekeepers controlling the information about potential meeting destinations, while buying centers are the people who have the power to choose a meeting destination from potential destinations recommended by meeting

planners. Regardless whether meeting planners are the ultimate destination decision makers, they undeniably play a critical role in the destination selection process, consistent with Clark, Evans, and Knutson's (1997) study which showed that meeting planners play an important role in the destination selection process by including destinations in the final set for consideration by associations. Therefore, as competition in the MICE sector intensifies, it is increasingly important for cities to compete on the basis of key success criteria and a better understanding of the clients' expectations (Go & Govers, 1999).

Accordingly, perceptions of meeting planners is one of the more critical factors affecting the selection of destinations and should be addressed first to better meet their actual needs, wants and expectations (Kim & Kim, 2003). A better understanding of meeting planners' perspectives would help MICE destinations build competitive destination marketing strategies (Kim & Kim, 2003) and promote themselves more attractively to meeting planners (Lee & Back, 2005). This has led to much interest and research into the areas of MICE destination selection process and destination attractiveness assessment as supported by Lee and Back's (2005) content analysis of 147 MICE related articles published from 1990 to 2003. Their study showed that the destination selection process, particularly the area of understanding the perceptions of meeting planners and identifying destination attributes which matter to them, has drawn the most attention from researchers.

Destination Attributes

A number of past researches were reviewed with the aim of identifying the common attractiveness attributes that are important to meeting planners in the selecting of MICE destinations. The destination attributes considered important to meeting planners in selecting locations, analyzed in three studies namely by Kang et al. (2005), Kim and Kim (2003) and Go

and Govers (1999) have been summarized in Table 1. These destination selection attributes are consistent with Lee and Back's (2005) content analysis of 147 published articles which showed that accessibility, attractions/entertainment, affordability, availability of facilities, destination image, safety/security and quality of service are the destination attributes commonly identified by past studies.

Table 1

Destination Attributes

Kim & Kim, 2003	Go & Govers, 1999	Kang, Suh, & Jo, 2005	Lee & Back, 2005
Ease of access; ground transportation system; ease of air transportation access	Accessibility	Accessibility	Accessibility
Nightlife; shopping; sightseeing and cultural attractions	Attractions	Attractions	Attractions/ entertainment
Reasonable price of food and beverage services; tour expense; room rates	Price	Cost	Affordability
Climate	Climate/ environment	Environment	
Convention and exhibition facilities; availability of high-tech conference and exhibition support equipment; hotel room availability;	Facilities	Facilities	Availability of facilities

Kim & Kim, 2003	Go & Govers, 1999	Kang, Suh, & Jo, 2005	Lee & Back, 2005
on-site assistance with organization and planning conferences			
City image; attractiveness of geographic area	Image	Image	Destination image
Safety/security		Information Safety/security	Safety/security
Quality of food, beverage and service; friendliness and foreign language skills of local people; simplicity of customs clearance; government support; efficiency of managerial staff in conference centers	Service	Service	Quality of service

As noted by Fenich (2001), many destination attributes that are important in convention destination selection were identified in numerous past researches. However, the extent of influence and importance of each attribute is not clear. Nevertheless, some degree of insight on the relative importance of these destination attributes can still be drawn from the past studies.

The research by Lee and Back (2005) revealed that accessibility and adequate physical MICE facilities are the two attributes which are most critical to meeting planners in selecting

destinations. Results from Kang et al.'s (2005) study showed that meeting planners view facilities as the most important attribute in selecting destinations, followed by accessibility and service while cost, image, information and attractions are perceived as the least important. According to Kim and Kim (2003), convention and exhibition facilities are considered the most important by meeting planners in the selection of convention destinations, followed by hotel room availability, room rates and on-site assistance with organization and planning conferences. In addition, their research also revealed that foreign meeting planners were dissatisfied with the friendliness and foreign language skills of local people in Seoul. This finding is particularly relevant to Asian nations attempting to achieve global competencies as an international MICE destination. Go and Govers (1999) found that meeting planners place most importance on the facilities that are available, followed by accessibility, service and price when planning an event whereas attractions and climate and environment are deemed least important. Table 2 summarized the destination attributes which were found to be more important than others by past studies.

Table 2

Destination Attributes Deemed More Important by Past Studies

Kim & Kim, 2003	Go & Govers, 1999	Kang, Suh, & Jo, 2005	Lee & Back, 2005
Facilities	Facilities	Facilities	Facilities
	Accessibility	Accessibility	Accessibility
Service	Service	Service	
Cost	Price		

Conclusion to Literature Review

Regardless whether meeting planners are the ultimate destination decision makers, past studies have showed that they play a key role and possess a significant influence over MICE destination selection process. Their perceptions and preferences of destination selection attributes determine the attractiveness of a MICE destination. It is, therefore, critical to understand meeting planners' perspectives and to meet their needs and wants so as to stay attractive in an increasingly competitive environment. From the review of literature, the common attributes deemed important in the selecting of MICE destinations include accessibility, attractions/entertainment, affordability/cost, facilities, climate/environment, image, safety/security and service. In terms of the relative importance of these destination attributes, past studies found that meeting planners placed more importance on facilities, accessibility, service and cost than on the other attributes. While the destination attributes identified in Table 1 will form the overall basis for comparing Macau's attractiveness as a MICE destination versus Singapore in this paper, the in-depth comparative analysis will focus on the more important attributes identified in Table 2.

PART THREE

Discussion

Part Three presents the results and discussion on the comparative analysis between Macau and Singapore as MICE destinations, based on the destination attributes identified in Part Two of this paper. To enhance the qualitative analysis of this study, four industry experts were interviewed for their views on the attractiveness of the two MICE destinations. The following section will provide a brief description of the interview with these industry experts. The views of the interview participants will be incorporated throughout this part of the paper. The comparison of the destination attributes will then be presented followed by a discussion on the strengths and weaknesses of the respective MICE destinations. Recommendations on creating and maintaining the competitive advantages of the two destinations, highlighted in Part One, will be also discussed.

Interview with Industry Experts

This study interviewed four industry experts, namely two meeting planners and two meeting providers. Due to the constraint of time, the participants were identified from the researcher's personal social network. A total of six industry experts (three meeting planners and three meeting providers) have been approached. Two declined to participate due to busy schedules during the interview period. All of the remaining four industry experts who participated have tremendous experience in the MICE industry and in organizing events. The profiles of the four participants have been summarized in Table 3. The objective of the interview was to capture the experts' views based on their past experiences with the two destinations and their perceptions of the said destinations. To achieve this, an open-ended questionnaire which probed the industry experts on the strengths and weaknesses, as well as their opinions on various

destination attributes of Macau and Singapore was developed. The interviews were conducted via telephone calls with the participants and took place during the period of November 19 to November 30, 2007. Due to their busy schedules, the interview participants have requested the telephone interviews to be kept brief. Each interview session lasted about an average of 15 minutes. The participants were however willing to address further clarifications via electronic mails.

Table 3

Profile of Interview Participants

Participant	Profile
Pacific Asia Travel Association – Director, Events	Meeting planner. The largest travel and tourism network in Asia Pacific. Has prior experience in organizing events in both Macau and Singapore.
Singapore Exhibition Services Pte Ltd – Director, PR & Conferences	Meeting planner. Asia’s top organizer of trade events with three decades of experience. Has prior experience in organizing events in Singapore only.
The Venetian Macao Resort Hotel – Vice President, Sales for Conventions & Exhibitions	Meeting provider. The sister property of the iconic The Venetian Las Vegas which opened in August 2007 and currently possesses the largest convention and exhibition centre in Macau.
Singapore Exhibition and Convention Bureau – Director, BTMICE	Meeting provider. The MICE division of the Singapore tourism bureau which champions the development of the business events industry in Singapore.

Using the destination attributes identified in the literature review, the interview participants were asked to rate the importance of these attributes to meeting planners when they select MICE destinations. The attributes were rated on a scale of 1 to 5, 1 being the least important and 5 being the most important. The participants were also requested to add any additional attributes which they felt were important but were not listed. The ratings by the participants were summarized and the rankings of the destination attributes were as shown in Table 4. No additional attribute was highlighted by the participants.

Table 4

Importance Rankings of Destination Attributes

Ranking	Destination Attributes
1	Safety/security
2	Accessibility
3	Facilities, service and cost
4	Environment, attractions/entertainment and image
5	Climate

On the whole, the importance rankings of destination attributes were largely consistent with the results of past studies in Table 2 in Part Two of this paper where facilities, accessibility, service and cost are deemed more important attributes. One exception is that safety/security emerged the most important attribute in this study. This finding reinforced the notion that increasingly, meeting planners and meeting attendees are worried about personal safety when in a convention city (Fenich, 2001) post September 11, 2001 and the increase in prominence in

terrorism and epidemic threats. Other findings of the interview and the industry experts' views have been incorporated into the remaining sections of this paper.

Comparison of Destination Attributes

This research compared and analyzed in-depth destination attributes which were found to be more important, in both current and past studies, in determining the attractiveness of a MICE destination. These attributes include safety/security, facilities, accessibility, service, and cost. This study also included a brief discussion on the remaining destination attributes, namely environment, attractions/entertainment and image. Climate is a natural attribute which is uncontrollable by host destinations and has been excluded from the comparative analysis.

Safety/Security. Post September 11, 2001, safety/security has become one of the primary concerns to meeting planners when selecting a destination for their events (Mak, 2007) and was reflected in the finding of this study where industry experts rated safety/security as the most important destination attribute. This study analyzed safety/security by looking at the overall crime situation in the two destinations as well as the perceived readiness of the two destinations against epidemic threats and terrorism.

In 2006, Macau's recorded crime cases increased 3% from the previous year to 10,854 cases. The number of violent crimes had however decreased by 5.1% compared to 2005. Similarly, the number of robberies had declined by 9.5% to 342 cases in 2006 (Xinhua News Agency, 2007). Based on a population size of 500,800 in 2006, the number of recorded crime per headcount was approximately 0.022. On the other hand, the overall crime situation in Singapore had improved in 2006 with a 10% decline in the number of reported cases compared to 2005. The number of violent crimes such as rape and murder in 2006 was 135 cases, a decrease of 6.9% compared to 2005 whereas the number of robberies and snatch thefts had also declined by 10.8%

to 1,538 cases in 2006. The total number of recorded crime cases in Singapore was 33,393 in 2006 (Singapore Police Force, 2006) and based on a 4.48 million population size, the number of recorded crime per headcount was approximately 0.0075. On a recorded crime per headcount basis, Macau's crime rate in 2006 was almost 3 times that in Singapore.

Overall, the interviewees felt that most meeting planners and meeting attendees would not be overly concerned about the two destinations being a safety/security risk. One meeting planner expressed that both destinations took sophisticated security measures which he found to be comfortable and non-restrictive. In their opinion, although Macau and Singapore have experienced the severe acute respiratory syndrome (SARS) epidemic and are very concerned about terrorism, Singapore is perceived as more proactive in maintaining a strong surveillance system and implementing and enforcing policies and measures to manage these threats. The Singapore government is also seen to continually engage the citizens and educating the public with knowledge-sharing seminars about such threats. Therefore, while both destinations do not seem to pose a safety/security risk, Singapore's perceived readiness against epidemic threats and terrorism may come across as an edge over Macau as a preferred MICE destination.

Accessibility. As many meeting attendees arrive by airplane, the availability of air service to a destination is of prime importance (Fenich, 2001). The accessibility of a MICE destination also takes into consideration the ease with which attendees get around within the location. The ease of local transportation is however considered less important (Baloglu & Love, 2001) and this study focused only on the aspect of air transport connectivity.

There are about 10 airlines operating at the Macau International Airport (MIA), providing approximately 149,000 flight seats per week and 25 flight routes that connect with numerous Asian cities. To accommodate more passengers generated by the rapid developments, Macau

expanded its airport as well as made improvements to the existing facilities. Macau also tied up with national and international airports such as Ningbo Lishe International Airport, Incheon International Airport Corporation and Wuxi Airport Co. Ltd to develop and promote new routes and add frequencies to existing routes (Lui, 2007). On the other hand, Singapore Changi Airport, the world's second best airport (Skytrax Research, 2007), connects the island to over 190 cities in 59 countries around the world with over 4,200 weekly flights served by more than 80 international airlines (Singapore Exhibition and Convention Bureau [SECB], 2007). Changi Airport achieved a new milestone in aviation history in October 2007 by being the first airport in the world from which the world's biggest passenger aircraft Airbus 380 took off. When the airport's S\$1.75 billion Terminal 3 begins operations in early 2008, Changi Airport will have an annual handling capacity of more than 64 million passengers (Changi Airport, 2007).

Despite the various initiatives taken by the Macau SAR government, Macau's direct air access still seems rather limited and Hong Kong International Airport (HKIA) will continue to serve as Macau's major airport (Lui, 2007). Voted by international travelers as the best airport of the world in 2007 (Skytrax Research, 2007), HKIA has more than 85 airlines operating flights to over 150 destinations worldwide, including about 40 Mainland Chinese cities (HKIA, 2007). The ferry ride between Macau and Hong Kong is about 45 minutes and the route is served by Macau's jet ferry fleet which is the largest in the world. To further shorten the time to get from Hong Kong to Macau, there are also plans in the pipeline to build a bridge to link Macau directly to HKIA (Lui, 2007). In spite of these, the industry experts opined that the limited direct air access is Macau's major weakness and until its international air access is improved, the international participation of events in Macau may be constrained. Conversely, the interview participants felt that Singapore's direct air accessibility is its biggest advantage over Macau.

Facilities. This study examined both destinations' facilities by analyzing the availability of convention and exhibition centers, hotel rooms and a variety of food and beverages in both destinations. Most conventions have minimum space requirements and a destination will not be able to attract an event if the size needs cannot be met. As such, size is considered the most critical aspect of convention and exhibition facilities (Fenich, 2001). The comparison of the capacity of prominent convention and exhibition centers in both destinations is shown in Table 5.

Table 5

Existing Prominent Convention and Exhibition Venues in Macau and Singapore

Location	Macau	Singapore
Location 1	Venetian Convention and Exhibition Centre – 100,000 m ²	Singapore Expo – 100,000 m ²
Location 2	Macau Forum – 7,280 m ²	Suntec Singapore International Convention and Exhibition Centre – 12,000 m ²
Location 3	Macau Dome – 5,772 m ²	Raffles City Convention Centre – 6,720 m ²
Location 4	Macau Fisherman's Wharf – 2,740 m ²	Singapore Indoor Stadium – 2,925 m ²
Location 5	Macau Tower Convention and Entertainment Centre – 1,850 m ²	
Total area	117,742 m ²	121,645 m ²

Note. Compiled and reorganized from the Singapore Exhibition and Convention Bureau website

(http://www.visitsingapore.com/publish/stbportal/en/home/mice_home.html) and the Macau Government Tourist Office website (<http://cn.macautourism.gov.mo/en/>).

Macau's newest and largest addition to its convention facilities was the Venetian Convention and Exhibition Centre in August 2007. In contrast, Singapore did not have any major addition to its convention facilities in recent years. The Suntec Singapore International Convention and Exhibition Centre was opened in 1995 (Suntec Singapore, 2007) and the Singapore Expo was completed in two phases, 1999 and 2005 respectively (Singapore Tourism Board [STB], 2005). To maintain its competitiveness, Singapore is currently developing two integrated resorts, namely Marina Bay Sands and Resorts World at Sentosa, to be completed in 2009 and 2010 respectively. Marina Bay Sands is expected to boost Singapore's MICE capacity with another 110,000 m² of meeting and exhibition space and a 9,200 m² column-free ballroom which will be the largest in Asia. Resorts World at Sentosa, will add new meeting and incentive facilities to host approximately 12,000 delegates across three key venues (STB, 2007a). On the other hand, Macau also has a number of massive integrated entertainment projects currently under development. These projects are expected to increase Macau's MICE facilities upon their completion. Macao Studio City, an integrated resort is expected to open its first phase in 2009 and will add a 4,700 person capacity MICE center (CapitalLand Limited, 2007). Another integrated entertainment resort, City of Dreams, opening in the second half of 2008 is expected to have extensive meeting facilities. However, information on the capacity is currently unavailable ("New products", 2007; "Planners' guide", 2006).

Based on the current capacity, Macau's existing convention and exhibition space is only approximately 3% less than Singapore's. Moreover, Macau's current convention facilities are relatively newer compared to Singapore's. Going forward, both destinations are expected to add new capacity to their current convention facilities between now and 2010. It would appear that both destinations are rather competitive in terms of convention facilities and these findings

supported the industry experts' views that both Macau and Singapore are attractive in this aspect. This is especially true with the entry of international companies such as Las Vegas Sands in both destinations which would raise the bar in the quality of experience and widen meeting planners' choices.

In terms of accommodation capacity, Table 6 summarizes Macau and Singapore's current hotel rooms inventory as well as their expected new supply of hotel rooms by 2008. Macau's current accommodation capacity is approximately 35% of Singapore's capacity. This is expected to improve to 79% by 2008.

Table 6

Macau and Singapore's Hotel Rooms Inventory – Current and New Supply

	Macau	Singapore
Current inventory	Over 13,000 hotel rooms	Over 37,000 hotel rooms
New supply by 2008	18,000 new rooms	2,000 new rooms
Total inventory by 2008	31,000 hotel rooms	39,000 hotel rooms

Note. Compiled and reorganized from the Singapore Exhibition and Convention Bureau website

(http://www.visitsingapore.com/publish/stbportal/en/home/mice_home.html) and the Macau Government Tourist Office website (<http://cn.macautourism.gov.mo/en/>). Current inventory as of July 2007.

In addition to the 2,000 new rooms by 2008, Singapore will add about another 4,300 rooms when the two integrated resorts are completed by early 2010 (STB, 2007b). According to Jones Lang LaSalle Hotels' research, there are approximately 37,600 new hotel rooms under construction in Macau or being planned from 2007 onwards. If all of these projects materialize, Macau's room inventory will triple the presence stock (Jones Lang LaSalle Hotels, 2007).

Should Jones Lang LaSalle Hotels' estimates materialize, Macau's accommodation capacity may exceed Singapore's room inventory by 2010.

Both Macau and Singapore have a wide variety of food and beverage (F&B) due to their multicultural experience and present cosmopolitan way of life. Macau is famous for its unique blend of Portuguese and Chinese cuisine, known as Macanese food. Asian and Western restaurants are also in abundance, from fine dining to atmospheric village cafes and restaurants in Macau's historic precincts (MGTO, 2007d). Similarly, Singapore also offers a wide range of multi-cultural cuisines ranging from traditional Chinese, Malay, Indian, Peranakan and Eurasian favorites to other fares such as Moroccan to African cuisines, a reflection of her cultural diversity and culinary excellence (Chin & Tan, 2006). In short, both destinations offer F&B choices with a combination of convenience, variety and price to cater for most events and budgets. The F&B options in both Macau and Singapore will increase further in the next couple of years when the various integrated resorts in both destinations are completed. Overall, the interview participants felt that both Macau and Singapore are attractive in all three aspects of physical facilities – convention and exhibition facilities, accommodation and F&B.

Service. The MICE industry, like many hospitality industry transactions, combines intangible service with tangible facilities. As competition in the MICE sector intensifies and meeting planners and meeting attendees become more demanding, this intangible human element may be of greater importance than physical facilities and careful consideration must be given not only to MICE facilities but also to the provision of quality service during events (Hinkin & Tracey, 1998).

The industry experts were asked for their views on the service quality in Macau and Singapore. On the whole, they expressed that the quality of service in Macau and Singapore are

good and that both destinations offer great F&B quality and service. They also felt that the convention and visitors bureaus of both cities are helpful and knowledgeable. However, the industry experts stressed that the quality of service provided is highly dependent on the availability of manpower with the necessary skills and experience at professional level, and as much of the MICE industry in Asia is still in development stage, this pool of qualified and experienced professionals in the region is currently small and limited. With the MICE industry in Asia growing rapidly, the industry experts were of the view that the industry in this region will in the short to medium term face a shortage of qualified and experienced professionals. This has led to many cities competing for the same small pool of manpower. This shortage of qualified and experienced professionals is critical as this may affect the provision of quality service adversely.

Singapore has been in the MICE industry for more than two decades and has a strong track record of hosting numerous international and prestigious events. The interview participants felt that Singapore already has in place a pool of qualified and experienced professionals to service the MICE industry. However, more qualified manpower will be needed to meet the needs of its two new upcoming integrated resorts. Furthermore, the rapid developments in the region have resulted in many cities competing for qualified and experienced professionals. For example, one expert shared that some players in the Singapore MICE market are complaining that their staff are being lured by attractive contracts to work in Macau. A shortage of qualified manpower in Singapore looks inevitable. In response to this, the industry experts added that the Singapore government has recently announced that the country will be easing the rules and allowing more foreigners into the workforce to support Singapore's manpower needs. In addition, Singapore currently has a number of organizations, such as Singapore Association of Convention and Exhibition Organizers and Suppliers and Cornell-Nanyang Institute of Hospitality Management,

which are training its workforce to increase its pool of qualified professionals. As such, the industry experts felt that any shortage of qualified manpower in Singapore should only be temporary. The city would be able to maintain its current level of good quality service.

Macau, on the other hand, has a population of just over 500,000 and a labor force of about 300,000. In view of the enormous developments currently taking place in the territory, this small labor force is unlikely to be able to support the rapid increase in demand for manpower. In addition, Macau appears to be facing some labor woes as thousands of workers protested on the streets on May 1, 2007 and National Day, against a lack of labor protection and imported labor. Moreover, Macau has been suffering from a shortage of qualified local workforce for its hospitality and tourism industries (Lam, 2007; Pao, 2004). The small workforce, labor woes and shortage of qualified and experienced professionals could adversely affect Macau's growth potential in the MICE sector as well as the service quality going forward.

Cost. Almost all MICE events have budget constraints and cost considerations will have an impact to meeting planners. This study referred to the Mercer Human Resource Consulting's 2007 Cost of Living Survey as a guide to compare the costliness of each destination. Mercer's survey covers over 140 cities in six continents, and measures and compares the cost of over 200 items in each city, including housing, transport, food, clothing, household goods and entertainment. From the Top 50 Rankings extract of this survey, Singapore ranked 14th, after Seoul (3rd), Tokyo (4th) and Hong Kong (5th). Macau, on the other hand, was not featured in the top 50 rankings (Mercer, 2007). This would indicate that Macau is considerably less costly than Singapore. In terms of accommodation cost, Singapore's average room rate achieved in August 2007 was S\$198, 61% higher than Macau's S\$123 (MOP\$690) despite similar hotel room occupancies of 89% in both destinations in August 2007 (MGTO, 2007c; STB, 2007a). Through

the comparison of cost of living and accommodation cost in both destinations, it would appear that the cost of holding events in Macau will be relatively lower than in Singapore.

Although Macau's rapid development is causing some inflation in its cost of living, the industry experts were more concerned about the current increase in costs in Singapore.

Singapore's October 2007 inflation leapt to a 16-year high, reflecting higher cost for food and transport. The Singapore government also raised the inflation forecast for 2008 with a peak of around 5% at the start of 2008 (Reuters, 2007). Given its relatively lower costs, Macau would appear to be more attractive than Singapore as a MICE destination and with Singapore's costs increasing going forward, the latter's attractiveness could be further diluted.

Other destination attributes. When asked for their views on the environment of both destinations, the industry experts opined that both Macau and Singapore are considered politically stable cities. They felt that Macau and Singapore have a stable and supportive environment which encourages the rapid investment growth in both destinations. In terms of availability of attractions/entertainment, the interview participants expressed that both destinations have a good combination of sightseeing, shopping and entertainment elements to cater to the MICE market's varied needs. As such, Macau and Singapore have similar strengths in terms of a politically stable and supportive environment as well as adequate attractions/entertainment. As for image, the industry experts responded that Macau is perceived as closely linked to gaming and casinos. This could be a double-edged sword as on one hand, the curiosity to know what the city touted as Asia's Las Vegas has to offer may enhance Macau's attractiveness, whereas on the other hand, this image could limit the city's attractiveness to meeting planners who prefer destinations with less association to gaming. Singapore, on the other hand, has an image of a clean and efficient government and a thriving business

environment. This is particularly attractive for events where post-conference business opportunities are sought after.

Conclusions

The purpose of this paper is to analyze and compare Macau's attractiveness as an international MICE destination with Singapore, a leading MICE destination in Asia. A set of destination attributes which are considered important in determining the attractiveness of a MICE destination was identified through the review of past researches. This set of destination attributes formed the basis for the qualitative comparison between Macau and Singapore as MICE destinations, as well as the basis for formulating the open-ended questionnaire for the interview with industry experts. Four industry experts were interviewed in this study and their views were incorporated into the comparative analysis in Part Three. The results of the comparative analysis, incorporating the findings from the interview with industry experts have been summarized in Table 7.

Table 7

Summarized Results of Comparative Analysis

Destination attribute	Macau	Singapore
Safety/security	No major safety/security risk.	No major safety/security risk. Has a perceived readiness against epidemic threats and terrorism.
Accessibility	Limited international air access.	Excellent air accessibility.
Facilities	Large convention and exhibition centers, hotel rooms and a wide variety of F&B available. New additions under development.	Large convention and exhibition centers, hotel rooms and a wide variety of F&B available. New additions under development.
Service	Provides good service now. Going forward, quality may be affected due to a shortage of qualified workforce and labor woes.	Has a reputation of good service. Any shortage of qualified workforce should only be temporary.
Cost	Relatively lower than Singapore.	Higher than Macau and is expected to face further increasing costs.
Environment	Politically stable and supportive environment.	Politically stable and supportive environment.
Attractions/ entertainment	Good combination of sightseeing, shopping and entertainment.	Good combination of sightseeing, shopping and entertainment.
Image	Closely linked to gaming and casinos	Clean, efficient government and a thriving business environment

From the results in Table 7, Macau is considered attractive as a MICE destination. In terms of the availability of physical facilities, Macau's convention and exhibition and accommodation capacity are rather comparable with those in Singapore. Macau also offers a good combination of sightseeing, shopping, entertainment, and F&B options for the MICE market. Similar to Singapore, Macau has a politically stable and supportive environment and the territory also does not pose a safety/security risk. In addition, Macau's relatively lower costs would give it an advantage over Singapore by being more competitive in terms of costs of hosting events. However, Macau's limited international direct air access would affect its attractiveness as an international MICE destination. Moreover, service quality in Macau may be affected adversely if it does not resolve its shortage of qualified and experienced workforce and labor issues. Nevertheless, Macau does possess the relevant strengths of an attractive MICE destination and it needs to improve on its weaknesses to further enhance its attractiveness.

The industry experts interviewed felt that Macau is attractive as a MICE destination, especially more so now in view of the rapid developments currently taking place in Macau. Moreover, the entry of international players like Las Vegas Sands, Wynn's Resorts and MGM Mirage and the curiosity to know what the city touted as Asia's Las Vegas has to offer will further enhance Macau's attractiveness. When asked to compare the attractiveness between Macau and Singapore, the interview participants felt that Singapore is more attractive as an international MICE destination. They expressed that Singapore's good air accessibility is its biggest advantage over Macau. In addition, they highlighted that Macau as a MICE destination is more destination-driven whereas Singapore's appeal for MICE can be destination-driven and/or business-driven. They felt that MICE events are held in Macau because the facilities and attractions/entertainment elements are available whereas Singapore's thriving business

ecosystem and headquarter base for many multi-national corporations in Asia offer the important post-event opportunity to do business with these enterprises. The industry experts did, however, emphasize their concerns over the increasing costs in Singapore as this could erode Singapore's attractiveness.

Recommendations

There is no single ideal MICE destination. Instead the physical and operational characteristics of cities and convention centers must match the market each intends to target (Fenich, 2001). Both Macau and Singapore are attractive in their own ways and the appeal of each destination may be different. As more countries join the competition for the lucrative MICE dollars, it becomes increasingly important for each destination to identify its niche and concentrate its resources towards the market it intends to target. Therefore, Macau could attempt to define its target market, consolidate its products and establish product positioning. This should be coupled with strong marketing strategies to actively promote and sell the destination. It is also critical for Macau to improve its international direct air access if it has the intention to increase international participation in its MICE events. Macau also needs to do more to work on its qualified workforce shortage and labor woes to ensure that service quality does not deteriorate. In addition, Macau can also learn from Singapore and take more proactive initiatives to increase its perceived readiness against epidemic threats and terrorism to further enhance its current positive security standing. Furthermore, Macau can make use of the territory's relatively lower costs and position itself as a price competitive MICE destination.

One of Singapore's greatest challenges will be to stabilize the costs in organizing events in the city to prevent erosion of its attractiveness as an international MICE destination. Talent retention would be another challenge for Singapore. Given the shortage of qualified and

experienced professionals in the region, there will be a strong demand for the qualified manpower trained in Singapore. It is critical for Singapore to devise initiatives to minimize a brain drain in this area. In addition, Singapore has been in the MICE industry for more than two decades and it has to continually reinvent itself to maintain its current leading position in the Asia MICE arena. While it is likely to maintain its lead among Asian cities for some years to come, Singapore will also be facing increased competition from the emerging urban centers of Asia and its lead over other Asian destinations is expected to decrease (Lew & Chang, 1999).

With more investment capital being poured into developing newer and larger convention and exhibition centers and related facilities, the availability of physical MICE facilities may soon be a non-issue with meeting planners spoilt for choice. The intangible human element, as discussed earlier on, may then be of greater importance than physical facilities. Focusing on human development could be one way to maintain and enhance competitive advantage in the MICE arena. Although both Macau and Singapore are already in the midst of developing new facilities, they ought to bear in mind to continually renew, update and upgrade their MICE facilities as well as offer more interesting attractions/entertainment to remain competitive. In addition, as meeting planners and meeting attendees become more concerned about the negative impacts of MICE events on the environment, both destinations may gain both economic and environmental benefits by exploring and incorporating initiatives towards greener meetings and events.

The present study adopted a qualitative approach to obtain an initial comparative analysis of Macau's attractiveness as an international MICE destination versus Singapore. Being exploratory and qualitative in nature, the results in this study can be verified further with extended research. In addition, the number of interview participants involved was small and the

responses might not reflect and explain the perception of industry experts as a whole. Nevertheless, this study should provide the foundation for further quantitative research in this area. Future research can also explore comparing the attractiveness of MICE destinations from meeting attendees' perspectives. Meeting attendees' participation is vital in determining the success of MICE events. Despite the importance of meeting attendees, there has been relatively limited studies to-date on meeting attendees' decision-making processes on events participation (Lee & Back, 2005). It will be interesting to analyze MICE destinations' attractiveness through the different perspectives of meeting attendees and meeting planners and determine if there is any disparity in the results.

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