

Tourism Potential of MICE (Meetings, Incentives, Conferences, and Exhibitions) with SWOT Analysis in Asahan Regency in North Sumatra Province

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Abstract

The aim of this study is to investigate Asahan Regency's strengths, weaknesses, opportunities, and threats related to MICE tourism management. Using a SWOT (Strength, Weakness, Opportunities, Threats) analysis, the used method is descriptive qualitative. As a result of the research, it can be observed that Asahan Regency remains in $S < W$ and $O \geq T$, necessitating internal consolidation; nevertheless, the $O \geq T$ has development potential. By addressing deficiencies and bolstering strengths in detail, the fundamental weaknesses are the absence of a tourism information center, the absence of branding or a brand name, the absence of business investors, the absence of promotions for adequate lodging, and the presence of a lot of road access that has not been optimized for cross-road or infrastructure that has not been fully exploited.

Keywords

strengths; weakness; opportunity; threats; and MICE



I. Introduction

Tourism in the MICE (Meeting, Incentive, Conference, and Exhibition) industry is a very complicated business, which is shown by the many business parts that play a big role in its growth and can have a big impact on the economy. MICE industry activities as a new industry demonstrate that MICE is a sector within the tourism industry, as MICE activities are tourism business activities in which delegates or participants' primary purpose is to travel and attend an activity or event related to their business while also enjoying tourism activities. One component of a thriving company that is a component of today's tourist sector is convention tourism, also known in Indonesia. Conventional tourism is a type of tourism that uses a lot of labor-intensive infrastructure, helps the country's labor market, and makes money for the country. Asahan Regency's relationship with MICE City is inextricably linked to the commercial and service sectors, particularly the tourist industry. Asahan Regency should focus on maximizing the value of its resources to maintain a competitive edge as a MICE city.

Although it is still confined to become a tourism destination, the implementation of MICE in Asahan Regency has potential that deserves to be promoted, which is a viable business alternative by focusing on tourism services with accessibility, facilities, and recreation. Since the tourist industry in Asahan Regency does not yet exist in intense competition, it is required to reorganize the travel agency, especially since the tourism sector's financial structure is highly fragile. Travel agency is the face of tourism, while other activities (hospitality, for example) constitute the back office.

Additionally, it is essential to amenities that facilitate the execution of large-scale national and international events, including conference rooms, lodging, and other supporting services. Research Objectives; obtaining the required skills, Obtaining the factors that can contribute to competitive advantage, Obtaining the critical success criteria required and Understanding how to transform Asahan Regency into a MICE Tourism city.

II. Review of Literature

2.1 Tourism Industry

Business tourism encompasses all facets of the experience of tourists who spend at least one night away from their permanent homes (Swarbrooke & Horner, 2001). According to 2014 Global Business Travel Association (GBTA) statistics, MICE's position is highly competitive. Business travel accounts for at least 50% of the world's USD 1.18 trillion in tourist transactions. The Asia Pacific also owns a sizable part, with MICE transactions accounting for 40% of the space. MICE growth is more encouraging at the moment. The MICE sector has advanced significantly in recent years. The volume of transactions is increasing. Naturally, this must be optimized. Along with the flow of visitors, the MICE line's spending capacity is excellent.

The tourism ministry targets 20 million foreign tourists in 2019 while also adding foreign exchange of around 280 trillion rupiahs to absorb a workforce of 12.6 million people. It also has a competitiveness index predicted to be in the top 30 globally, contributing 15% of income and Gross Domestic Product (GDP). Tourism contributed 13 billion US dollars to Gross Domestic Product, while oil and gas contributed 18 billion US dollars.

Pendit (1999) defines MICE as convention tourism with the following exclusions: convention service enterprises, incentive travel, and exhibits. Is a company engaged in providing services to facilitate the gathering of a group of individuals (statesmen, business people, scholars, etc.) to debate matters of mutual interest, such that it can be stated that:

- a. *Meeting*: small-scale meeting space is not affiliated with huge inter-institutional groups, often with less than 1000 people.
- b. *Incentive*: A location is capable of providing incentives for small and large-scale meetings and general company motivation growth, with a capacity of 500 – 2500 people.
- c. *Convention*: A convention is a large-scale gathering of organizations or experts attended by 1000-2500 people.
- d. *Exhibition*: An exhibition is a concept that describes a space used to display exhibitions ranging in size from small to huge, indoors or outdoors.

2.2 SWOT Analysis

According to Ferrel and Harline (2005), the SWOT analysis's purpose is to extract information from the scenario analysis and divide it into internal and external concerns (strengths and weaknesses) (opportunities and threats). Additionally, Rachmat (2014) states that a SWOT analysis is an analytical method used to define the scenario in which a business is currently or maybe. This analysis focuses on maximizing strengths and opportunities while minimizing vulnerabilities and threats. Meanwhile, according to Rangkuti (2013), SWOT analysis is a strategic planning technique used to assess the strengths, weaknesses, opportunities, and threats inherent in a project or business initiative and assess line-of-business products rivals.

III. Research Method

This research employs a qualitative approach. The researchers' primary objective is to identify the MICE potential using a SWOT analysis technique. Methods and Data Collection; Primary Survey and Secondary Survey. SWOT Thinking Framework; Analysis of Internal Conditions (Strength & Weakness) and Analysis of External Conditions (Opportunity & Threats). Data analysis; the SWOT analysis will provide the plan for developing MICE tourism in Asahan Regency. Stages in Conducting A SWOT Analysis; Defining the object of research clearly; Determining the research's focus, that is, the concerns and objectives pertinent to the subject of inquiry, Identifying key factors related to issues and objectives, Studying supporting/reference data, Identifying key factors whether including internal environment or external environment and Identifying factors – key factor.

IV. Results and Discussion

Table 1. SWOT of Asahan Analysis

<p>External</p> <p>Intern</p>	<p>Opportunities</p> <ul style="list-style-type: none"> - Development of Special Interest Tourism. - Business investment is still open in a number of ODTWs. - Tourism can be linked to the development of the plantation, agriculture and livestock sectors which are the basis of business. - Enforcement of free market. - Regional autonomy and rapid economic development. 	<p>Threats</p> <ul style="list-style-type: none"> - Competition from other places with comparable possibilities. - The destination is not yet well-known as a tourist attraction. - The travel agency from Medan continues to determine the progress. - Environmental degradation, particularly in terms of biodiversity. - Inadequately executed and maintained security and order.
<p>Strengths</p> <ul style="list-style-type: none"> - Tours of challenging natural attractions. - Interesting traditions and customs. - Local government enthusiasm and assistance for tourist development in Asahan district. - Supporting from community leaders, members of the Local Parliament, and business leaders, among others. - Supporting from landowners in the area of the ODTW 	<p>Strategies (S-O)</p> <ul style="list-style-type: none"> - Development of natural tourism products for both foreign tourists and foreign tourists. - Excavation and development of cultural and cultural wealth. - Becoming a partnership with national and foreign investors. - Implementing strategic plans. - Preparation of a variety of event calendars and tour packages. - Establish marketing and promotion cooperation with other regions. 	<p>Strategies (S-T)</p> <ul style="list-style-type: none"> - Utilizing investors to cooperate in tourism promotion. - Cooperating with the nearest Regency / City Government in tourism promotion efforts. - Utilizing and increasing local investors. - Setting a budget for the strategic tourism sector. - Developing nature and cultural conservation.
<p>Wekanesses</p> <ul style="list-style-type: none"> - Limited accessibility and transportation. - Limited amenities (hotels, restaurants, etc.). - Tourism institutions in the government, private and 	<p>Strategies (W-O)</p> <ul style="list-style-type: none"> - Providing and improving infrastructures. - Utilizing information technology for marketing and infrastructure. - Construction of amenities. - Strengthening institutions. 	<p>Strategies (W-T)</p> <ul style="list-style-type: none"> - Creating a network (networking) in the main destinations of North Sumatra (Medan-Asahan-Lake Toba-Berastagi). - Establishing tourism promotion together.

<ul style="list-style-type: none"> - community are less developed. - Limited human resources. - The role of the community in the tourism sector is weak. - Marketing that has not been optimal. - Not yet have a regional regulation on tourism. - No institution that handles security and order issues specifically in the tourism sector. - Lack of tourism information center. 	<ul style="list-style-type: none"> - Developing education and training for the younger generation. - Utilizing the advantages of the Asahan river rapids image dam for marketing. - Establishing regulations (perda) in the field of tourism development. - Ensuring public safety and order. 	<ul style="list-style-type: none"> - Socializing the concept of tourism development.
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Based on the SWOT above, a matrix for the development of Asahan Regency as a MICE City can be made.

Table 2. MICE City Can Be Made

NO	STRATEGY	PROGRAM	ACTION PLAN	DESCRIPTION
1	Fixed Weaknesses	Improving the tourism information center.	- Preparing studies on MICE through seminars.	Less
		Formulating branding or a specific appropriate brand name for the Asahan regency.	- Developing city branding for Asahan Regency. - Seminar on building Asahan regency branding with investors and stakeholders.	Not yet Not yet
		Providing convenience for investors who enter the tourism sector.	- Improving the quality of service. - Providing incentives for investors in tourism and MICE.	to be improved to be evaluated
		Promoting interconnection between institution.	- Promotion is carried out in an integrated manner and all agencies and institutions are involved. - Online and integrated promotions.	to be coordinated to be integrated
		Improving road access.	- Optimizing traffic movement patterns. - Improvement of road access to tourist objects.	to find a proper way. not optimal.
2	Building Excellence.	Building the central icon center of Asahan Regency as a leading tourist spot.	- There must be a tourist icon that is superior. - Building superior tourist attractions integrated with supporting services.	Not yet arranged. Not yet yet arranged.

	Building infrastructure that provides convenience for customers.	- Building alternative roads.	to multiply.
	Building networks in all lines to invest in Asahan Regency.	- Including as many investors as possible with a conducive investment climate. - Participating in events outside Asahan district, part of the promotion.	Investors who make the icon of Asahan Regency have not been much involved.
	Building continuity of overall promotion.	- Conducting national and global promotions.	The lacking promotion.
	Creating and multiplying national class events and having an impact on welfare and reducing unemployment in Asahan Regency.	- Dare to various fields of events related to MICE. - The event is widely socialized. - Organizing events that have an impact on the welfare of the community.	Lack Lack of socializing Lack

4.1 SWOT Analysis Results

The SWOT results conclude that Asahan Regency is still in $S < W$ and $O \geq T$ and thus requires internal consolidation; but see $O \geq T$ has potential that can be developed further. By improving weaknesses and building strengths, in detail. The fundamental weaknesses are a lack of a tourism information centre, a lack of branding or a brand name, a lack of investors in tourism and business, a lack of global marketing. Marketing is a process of planning and execution, starting from the conception stage, pricing, promotion, to the distribution of goods, ideas and services, to make exchanges that satisfy the individual and his institutions (Dianto in Asmuni *et al*, 2020). Many road entry points are not appropriate crossroads, or infrastructure has not been appropriately used:

- a. Building excellence needs tourism information centres to be located in various locations and to be connected to tourist activities such as hotels, cafés, the internet, mass media, tourism bureaus, travel agencies, and airlines, all of which must be done sustainably.
- b. The strategy is detailed in the market penetration plan, strategy (networking), and sustainable collaboration with the private sector and local and international investors. The goal is to attract more funding to accelerate development.

4.2 Directions for Development of Asahan Regency to be a MICE City

Strategic directions can be formed based on the results of the SWOT analysis and each of the variables contributing to Asahan Regency's transformation into a MICE city. As mentioned above, the directions contain the following:

- a. Foreign tourists place a premium on health and safety. Health insurance includes not only medical care but also hygiene in the form of food and beverages and other items used. Tourists' perception of security is critical in sustaining and growing the number of tourist visits. It is especially true for MICE tourism, which is often used for seclusion and protection.

- b. In the investment sector, the emphasis is increasingly on MICE tourism infrastructure. Foreign investment possibilities are created through ease of regulation and incentives, which must be fully used.
- c. Licensing is related to the widespread implementation of MICE tourism activity in Asahan Regency, including primary MICE tourism activities and supporting facilities such as lodging, conferences, exhibits, services, and commerce.
- d. The industrial sector has two roles to support tourism development;
 - 1. Asahan Regency's diversity of businesses provides an opportunity to organize convention and exposition events, such as conferences, meetings, and exhibitions.
 - 2. Small industry is inextricably linked to tourism activities, or its contribution is directly tied to the manufacture of souvenirs, food, and culinary products.
- e. Transportation is associated with urban tourist activities, with a particular emphasis on MICE tourism. This need is to assist the connection of tourist arrivals gates to lodging facilities or conferences, other tourist items and attractions such as historical treasures and cultural attractions, and other tourist cities in Indonesia and beyond.
- f. Trade and services are inextricably linked to tourism activities. Shopping activities cannot be isolated from tourism activities, particularly MICE tourism. Thus, supermarkets and markets and traditional and speciality markets are necessary components of Asahan Regency's development as a MICE tourist destination.
- g. For tourism, arts and culture are essential. Artistic elements cannot be divorced from urban tourist activities, particularly MICE tourism. Art must be presented in new packaging that adheres to a specific format. The existence of regional arts serves to offer tourists with particular recollections. Art presented mainly, artistically, and culturally leaves a lasting impact, including ceremonial activities, religion, ancient cities, and unique locations.

4.3 Critical Success Factors for the Realization of MICE City

- a. Integrating events in the City of Asahan Regency via the involvement of the governmental sector, the commercial sector, and the general public.
- b. Events in all sectors are meticulously planned over a specific period and marketed worldwide. The events that should be organized have the most significant impact on the welfare of the inhabitants of Asahan Regency and its surroundings.

4.4 The Capabilities of Asahan Regency as a MICE City

a. External

- 1. Business Engineering.
- 2. Attractiveness of Asahan Regency.
- 3. Network.
- 4. Management.
- 5. Effective Promotion and Advertising.
- 6. Speed of Responding to Markets and Technological Changes.

b. Internal

- 1. Corporating Cooperation.
- 2. Supplier Cooperation.
- 3. Availability of Transport.
- 4. Customer Satisfaction Service.

4.5 The purposes of Asahan Regency as A MICE City

- a. Integrating public, private and people relationships.
- b. The events held in Asahan Regency are the initial stage toward a MICE city. The various events that will enliven Asahan Regency are lively and never snooze for 24 hours.

As a MICE City, it will hasten the achievement of "ASAHAN GO WISATA." It will require the commitment and assistance of a variety of parties. All MICE events must be integrated and easily capable and publishable on a big scale to be visited by local, regional, national, and international communities and daring to attract all national and international scale events to Asahan Regency. It demonstrates that Asahan Regency is still very much receptive to hosting national and international events as one of the provinces of North Sumatra's supporting sectors for tourism.

V. Conclusion

According to a SWOT analysis, the capability required by Asahan Regency to move to MICE city may be achieved by internal consolidation; nevertheless, looking at O&T, there is much-untapped potential. One method is to conduct a grand plan analysis based on the development strategy matrix, with the following objectives: a. Fix weaknesses b. Build excellence. The Excellence factor is implemented through the MICE tourism support sector, which includes the following: a. investment, b. licensing, c. tourism industry, d. communication, e. trade and services, f. health and safety, and g. and art or culture. Substantial Success, The implementation of MICE, is contingent upon the availability of physical facilities, such as hotels, meeting rooms, incentive rooms, conference rooms, and exhibition space, in addition to supporting facilities that fulfil the objectives of the event. Additionally, it necessitates using expert human resources to manage and arrange the conference. To achieve the Asahan Equivalent Regency, two critical steps must be taken: a. Integrating MICE events in an integrated way via the involvement of the public service, the private sector, and the general public. b. Take risks in attracting national and international scale events to Asahan Regency, and c. Events in all sectors are meticulously planned over a specified period and promoted to every corner of the globe, with the events having the most significant impact on the welfare of the people of Asahan Regency and its surroundings.

Suggestion

The existence of a grand strategy for Asahan Regency as a MICE City must be implemented through programs and action plans by the Asahan Regency administration. Competitive advantages may be gained by enhancing the development of the MICE tourist support sector, which includes a. investment, b. licensing, c. industry, d. transportation, e. trade and services, f. health and security, and g. arts and culture. Critical success factors necessitate the availability of various building amenities or conference rooms suited for MICE tourism venues. Asahan Setara Regency is accomplished by charting events in Asahan Regency holistically, preferably on a national and international scale. It has a significant impact on the welfare of Asahan Regency inhabitants. It is marketed globally.

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