A periodic comparison of micro impacts and benefits of business tourism in Malaysia

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Abstract

The articles investigates the micro impacts and benefits of business tourism in terms of delegate spending and their experiences in Malaysia. The Study compares its results with two years of data collected during 2011 & 2012 at Kuala Lumpur Convention Centre (KLCC). Descriptive analysis such as frequencies, percentages, means, and standard deviations are calculated, and for few structured open-ended questions, patterns and trends in the responses are observed. The findings of the study are discussed in detail with conclusion and recommendations for the industry.

Keywords: Micro Impacts; Benefits, Business Tourism; KLCC; Malaysia.

1. Introduction

The *economic importance* of the tourism industry should not be underestimated. Travel & Tourism is set for a milestone year as the industry's direct contribution to the global economy is expected to pass $2 trillion in GDP and 100 million jobs. According to a research by the World Travel & Tourism Council (WTTC, 2012), the global Travel & Tourism industry has grown by 3.2% in 2013, marginally faster than the global rate of economic growth, predicted to be 2.4%. This rate of growth means that Travel & Tourism industry is expected to directly contribute $2 trillion to the global economy and sustain some 100.3 million jobs. When the wider economic impacts of the industry are taken into account, Travel & Tourism is forecast to contribute some $6.5 trillion to the global economy and generate 260 million jobs – or 1 in 11 of all jobs on the planet. In 2012, Travel & Tourism's total economic contribution, taking account of its direct, indirect and induced impacts, was US$6.6 trillion in GDP, 260 million jobs, US$765 billion in investment and US$1.2 trillion in exports. This contribution represented 9% of GDP, 1 in 12 jobs, 5% of investment and 5% of exports (www.wttc.org). Thus the sector is an important driver of growth and prosperity, and, particularly within developing countries, it can also play a role in poverty reduction.

According to United Nations-World Tourism Organisation (UN-WTO, 2013), worldwide, international tourist arrivals (i.e. overnight visitors) grew by 4% in 2012 to 1035 million, up from 995 million in 2011 when arrivals increased by 6.4% and international tourism receipts reached a record US$ 1,075 billion, up from 1,042 billion in 2011. Whereas, international tourist arrivals in Asia and the Pacific reached a historic high of 233.6 million in 2012, about 15.3 million more than in 2011and international tourism receipts reached US$ 224, about US$ 74.5 billion more than 2011 (www.wto.org).

According to UN-WTO (2013), '*tourism* comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited' (www.wto.org). According to International Congress and Convention Association (ICCA, 2013), the tourism industry can be divided into *leisure tourism* and *business tourism*. ICCA's adapted definition to *business tourism* is that 'business tourism is the

provision of facilities and services to the millions of delegates who annually attend meetings, congresses, exhibitions, business events, incentive travel and corporate hospitality'. ICCA also highlights that there is no commonly used or universally accepted definition available for the term business tourism (www.iccaworld.com).

UN-WTO from its Glossary of Terms has no specific term that defines business tourism (www.unwto.org). From various literatures on business tourism, they described it according to its scope of business activities in relation to tourism. For example, (Haven-Tang, Jones & Webb, 2007) mentioned in their study that business tourism consists of all trips related to a traveller's employment or business interest, e.g. conferences and meetings; exhibitions, and trade fairs; corporate hospitality and events. Similarly, (Hankinson, 2005) also cited business tourism as travel associated with attendance at meetings, conferences, exhibitions and incentives events.

Some countries described business tourism in relation to their existing practices. According to Tourism Research Australia (2013), business tourism is any business that relies significantly on tourists including both direct and indirect consumption of the main product or service of the business (www.tra.australia.com). On the other hand, the Northern Ireland Tourism Board (2013) based its concept on business tourist as a traveller whose main purpose for travelling is to attend an activity or event associated with his/her business of interest. It further added that business tourism main components include conferences, exhibitions and trade fairs, incentive travel, corporate events and meetings and individual travel or corporate travel (www.nitb.com).

These concepts previously cited are very important to establish why UN-WTO may not consider it as solely business tourism industry but instead classified it as *meetings industry*. UN-WTO (2013) defines meetings industry, refers to if a trip main purpose is a business/professional that include attending of meetings, conferences, congresses, trade fairs and exhibitions and other business and professional activities. According to them, the term *meeting industry* is preferred by International Congress and Convention Association (ICCA), Meeting Professionals International (MPI) and Reed Travel over the acronym MICE (Meetings, Incentives, Conferences and Exhibitions) which does not recognize the industrial nature of such business (www.unwto.org).

Another interesting concept of business tourism can be derived from Tourism Satellite Account of UN-WTO. A Briefing Paper prepared by (McNicoll, 2004) on "Issues Arising Concerning the Treatment of Business Tourism in a UK Tourism Satellite Account" pointed out two perspectives from a demand and supply sides. From a demand perspective, business tourism is generally defined as "expenditures made by or for an individual associated with a visit which satisfies the criteria to be defined as a business tourism trip". The paper also mentioned that TSA literature gives little (if any) consideration to a supply-oriented definition of business tourism. The supply-side of business tourism emphasizes the range and volume of activities and commodities produced and supplied specifically for business tourism purposes.

There are some issues as to what side should be used to measure. Han and Fang (1997) explained some of these demand and supply side issues in measuring tourism contributions to the economy. Furthermore the paper concluded that to correctly measure the size of tourism and estimate tourism's contribution to Gross Domestic Product (GDP), a business tourism demand was initially introduced. This concept avoids double counting and hence comparable with GDP. This method developed was consistent estimates for both the size measure of tourism and the contribution measure of tourism.

1.1. Aims and objectives

The purpose of this study is to investigate the micro impacts and benefits of business tourism in Malaysia. The objective of the study is to highlight the micro areas of delegate spending and their experiences specifically in the case of Kuala Lumpur Convention Centre. The study further compares its results with two (2) years of data collected during year 2011 and year 2012.

1.2. Importance of the study

The paper further aims to assist stakeholders of the tourism industry in general and business tourism sector in particular to improve its services and develop strategic plans as catalyst of the country's economic growth. This is a gigantic task for The Centre to be on the wings of the Malaysian government to sustain its competitiveness in the so-called meeting industry worldwide. The Centre is using its international events to serve as inputs to generate more information that can be used for future actions and plans. With this study, The Centre hopes to contribute more

income, investment and employment to other sectors that complement MICE-related activities such as airlines, hotels, shopping centres, bars and restaurants, among others.

2. Literature review

From the various literatures cited, the current study's concept of business tourism was derived. The business tourism in the study refers to the 'travel related activities and travel expenditures of business tourists attending international MICE-related events' at Kuala Lumpur Convention Centre (The Centre) either as local or foreign participants. These travel activities refer to MICE-related events such as conferences, congresses, meetings and exhibitions. On the other hand, travel expenditures refer to the amount of money spent on travel related activities such as transportation, hotel/accommodation, food and beverage, shopping, entertainment and other travel related activities. With this framework on business tourism, the current study examines the micro impacts and benefits of tourism business in Malaysia. Specifically, it aims to analyse spending pattern and experiences of business tourists in relation to travel related activities. The study is limited to ten (10) international MICE-related events held at The Centre in the year 2011 & year 2012 (see Table 1 & 2) with the local (Malaysians) and foreign delegates comprises the respondents.

2.1. The case of Malaysia

Malaysia's global tourism has grown from RM 30 billion in 2004 to RM 60 billion in 2012 with 6.25% present growth rate from 2004-2012 placing Malaysia 10th in international tourist arrivals and 14th in global tourist receipts. For year 2012, Tourism Malaysia (Facts and Figures, 2012) reports international tourist arrivals as 25.03 million and international tourism receipts as RM 60.6 billion (corporate.tourism.gov.my). The industry is expected to continue growing with arrivals rising from 25.03 million in 2014 to 36 million in 2020 and RM 168 billion tourist receipts (etp.pemandu.gov.my). Relatively for the year 2012, tourism Malaysia reports international tourist arrivals as 25 million and international tourism receipts as MYR 60.6 billion (tourism.gov.my/en/my).

Despite this strong historical growth, the tourism sector is predominantly been dependent on growth in the number of arrivals rather than on yield per tourist. According to a Malaysian Government Report, The Economic Transformation Programme (2010) in its Tourism Chapter (p. 321) noted that although mass tourism arrivals would also contribute to tourism income but its yield per tourist in Malaysia is relatively low at RM 2,260 as compared to RM 3,106 in Singapore and RM 3,785 in Thailand. It further explained the reasons for such trend because of lower average length of stay, lower spend for day and dependence on arrivals from short-haul markets.

The higher yield segment of tourism sector is seen in business tourism. As described earlier, business tourism refers to travel related expenditures of foreign business tourists who attended MICE-related activities. In fact, business tourism is highly lucrative but competitive sector of the tourism industry. With this development, Malaysia's thrust placed business tourism as one of the 12 Entry Point Projects (EPPs) under the proposed Tourism National Key Economic Areas (NKEA, accessed on 15 November 2013 from etp.pemandu.gov.my) by year 2020. There are five themes and 12 high-impact projects identified and business tourism falls under the last theme and it has three EPPs, namely, EPP 10: Establishing Malaysia as a leading business tourism destination; EPP 11 Enhancing connectivity to priority medium-haul markets; and EPP 12 Improving rates, mix and quality of hotels.

All the EPPs cited are equally important. But, this study focuses more on the EPP10: Establishing Malaysia as a leading business tourism destination because of its relevance to the objectives the study. The main purpose of this paper is to examine micro-impact and benefits of business tourism in Malaysia among local and foreign business tourists who are in the country for a MICE-related activity. The Malaysia Convention and Exhibition Bureau (MyCEB, www.myceb.com.my) is the government agency responsible for coordination among various MICE organizations. They will be working hand in hand with the private sectors whose business tourism activities are directed to attract foreign organizers and participants to stage their organization activities in Malaysia in the future. The Tourism NKEA specifically targets business tourism to contribute RM 3.9 billion in incremental Gross National Income (GNI) and 16,700 jobs to the nation by year 2020.

4

Table 1. ICCA Ranking and Number of International Association Meetings, Malaysian and Kuala Lumpur, 2010-2012.

Year		2010	2011	2011
Malaysia	World Ranking	28	29	35
	Asia Pacific Ranking	7	7	9
	Number of International Association Meetings	119	126	109
Kuala Lumpur				
	World Ranking	23	21	31
	Asia Pacific Ranking	8	5	8
	Number of International Association Meetings	79	78	69

Source: International Congress and Convention Association (ICCA, 2013).

In order to achieve these business tourism economic targets, initially this year the government through MyCEB has allotted RM 50 million funding for business tourism sector of which RM 25 million will be allocated for a subvention programme. This programme focuses on supporting bids for every targeted international business events which offers a high economic value to the nation. This is also in support to maintain or if not improve its rank with ICCA whereby in 2012 Malaysia was placed 35th worldwide and 9th in Asia Pacific and Kuala Lumpur was placed 31st worldwide and 8th in Asia Pacific as one of the top choice for MICE-related activities (Table 1). This kind of support from MyCEB will encourage the business tourism sector to bring the best of Malaysia to foreign business tourists.

However, business tourism in Malaysia will not be able to sustain its growth unless there are some factors need to be considered. In a study by (Hankinson, 2005, p. 32) analysed destination brand image from a business tourism perspective in 15 UK destinations promoting business tourism centres. It highlighted eight main clusters of brand image attributes: physical environment, economic activity, business tourism facilities, accessibility, social facilities, strength of reputation, people characteristics and destination size. The study concluded that the most salient destination image attributes—the physical environment and economic activity are more closely related to the environment in which the event takes place.

Another interesting study made by (Haven-Tang *et al.,* 2007, p. 109) on the critical factors for business tourism destinations in UK which include leadership, networking, branding, skills, ambassadors, infrastructure and bidding. The study concluded that leadership is critical to provide a vision for business tourism and a strategy to achieve it. This can be aided by customized information on the requirements of their different clients-networking and sharing information through membership of trade associations. The need for high quality skills to underpin business tourism products and services further exacerbates labour market issues in relation to the tourism industry. Ambassadors are crucial to the bidding process. It is likewise important the need for infrastructure to support business tourism and facilitate appropriate access to and within the destinations. And lastly, bidding is a sophisticated activity requiring understanding of the business tourism market, the idiosyncrasies to different associations and detailed product knowledge.

The study of (Chin-Tsai & Chiu-Wen, 2011) used selected Asian countries (Singapore, China, Japan, South Korea, Thailand and Taiwan) to measure the environmental performance of the convention destination via Grey Situation Decision Making (GSDM) and Radar Chart. The GSDM method provided a procedure to deal with one event that has multiple decisions in the same event and choice the best or the worst situation while the Radar Chart indicates that if the radar chart data is appropriately transformed, the area within the polygon represents a global measure of performance with increasing or decreasing areas reflecting better or poorer overall performance.

The findings of the study show that Singapore has the best performance in Asia while Japan is superior in the entire environmental performance of a convention destination. Among the recommendations of the study in order to improve convention destinations are as follow: Singapore should improve meeting image and convention advertisement while Japan needs to strengthen macroeconomic stability and ground transport infrastructure. Other Asian countries like China and Korea need to increase competitiveness from tourism infrastructure while Thailand and Taiwan on the improvement of transport infrastructure system and needs to strongly build attraction and tourism image, respectively.

These literatures supported the study for the choice of the research locale and at the same time to establish the basis for the survey questionnaire. The choices of place for international MICE-related events are all dependent on the factors cited in the studies of (Haven-Tang *et al*., 2007), (Hankinson, 2005), and (Chin-Tsai & Chiu-Wen, 2011). The paper derived its list of contributory factors from these studies and utilized as basis for the research instrument.

Likewise, from these factors mentioned by the various studies, this paper anticipated similar answers may also appear in the final report of this paper.

According to Malaysia Convention and Exhibition Directory (www.micemalaysia.com), MICE-related establishments in the country are as follow: auditorium (6), exhibition hall and centres (30) and hotel with convention and exhibition facilities (163). With MyCEB support with business tourism particularly in subvention programmes, the one who will benefit are those establishments that engaged in high yield tourism activities especially those who can cater with foreign organizers and foreign participants. Not all of these establishments have good reputation in the global meeting market and are affiliated with international organizations such as the ICCA, Professional Convention Management Association (PCMA), International Association of Congress Centres (AIPC), Union des Foires Internationales (UFI) or The Global Association of Exhibition Industry and Union of International Association (UIA).

2.2. The case of Kuala Lumpur Convention Centre (The Centre)

The study primarily concentrated in Kuala Lumpur Convention Centre (The Centre) as the research locale for being a well-known international hub for MICE-related activities in Malaysia. This is already proven of its current status as venue for any meeting activities both in domestic and foreign markets. Its record shows the number of awards given by various reputable tourism and non-tourism organizations recognizing The Centre as best place destinations for meetings and iconic place in Malaysia not to mention its membership in various international associations.

The Centre a short name given to Kuala Lumpur Convention Centre which is located in the busy commercial and business capital of Malaysia, Kuala Lumpur. The operation of The Centre started in June 2005, managed and operated by Convex Malaysia Sdn. Bhd, a joint-venture company between Kuala Lumpur Convention Centre (Holdings) Sdn. Bhd and AEG Ogden Pty Ltd, Australia. Its facilities and amenities include 2 auditoria (3,000 and 500 seating capacity), 5 exhibition halls (9,710 m²/104.480 ft² column-free space), 1 grand ballroom, 1 banquet hall, 3 conference halls, 20 meeting rooms and 1,641 hotel rooms on site (17,581 rooms in 4-and 5-star properties within 10 min).

Since The Centre started its operation in 2005 up to current date (as of January 2014), Table 2 shows the total number of events held was 8,210 while the biggest number was recorded in 2013 with 1,565 events. On its eight years of operations, it has generated a total of 15.7 million delegates and its economic impact to KL and Malaysia was estimated at RM 4.7 billion. Its annual average economic impact is estimated at RM 600 million while annual average delegates reached 1.9 million. Its economic contributions to KL has benefited local retailers, hotel/accommodation and airline industries and generated more employment opportunities from contractors to event organizers.

Table 2. Data on The Centre Events, 2005-2013.

Years	2005 (Jun – Dec)	2006	2007	2008	2009	2010	2011	2012	2013	Total
No of Events	225	430	628	543	864	1,167	1,346	1,442	1,565	8,210
Total Delegates	787,016	1,459,112	2,133,444	2,056,820	1,955,639	1,959,218	1,720,763	1,670,875	1,969,584	15,712,471
Total Delegate Days	835,902	1,593,283	2,225,138	2,199,191	2,031,420	2,144,678	1,913,260	1,897,303	2,175,225	17,015,400
Total Economic Impact (In Million RM)	318	441	469	568	404	762	547	590	697	4,796

Table 3 shows the type of events held in The Centre and MICE-related events (i.e. convention, exhibition, meetings and events) has 33% share of the entire events conducted during the same period covered.

Table 3. Type of Events Held in The Centre, 2005-2012.

Type of Events	2005 (Jun – Dec)	2006	2007	2008	2009	2010	2011	2012	Total
Banquet & Functions	76	146	219	153	106	134	140	127	1,101
Convention	24	24	22	45	36	35	29	34	249
Exhibition	26	39	64	63	58	65	67	64	446
Meetings & Events	96	206	293	255	244	195	120	100	1,509
Entertainment	3	15	30	27	24	38	28	23	188
TenOnCall	-	-	-	-	396	700	926	1,049	3,071
PlenaryOnCall	-	-	-	-	-	-	36	45	81
Total	225	430	628	543	864	1,167	1,346	1,442	6,645

Table 4 listed the 8 international conferences already reserved from 2014-2016 in The Centre, mostly of these are in the field of medical sciences.

Table 4. List of Future Events, 2014-2016.

Name of Event	No. of Delegates	Dates
Million Dollar Round Table Conference	4,000	13 – 15 February 2014
Lamp Asia	2,500	16 – 17 February 2014
12th International Congress on Obesity	2,200	17 – 20 March 2014
CPA Australia Career Expo 2014	3,000	19 April 2014
The Digital Education Show Asia 2014	3,000	27 – 28 May 2014
Congress and General Assembly of the International Federation of Surveyors (FIG Congress)	3,000	9 – 16 May 2014
Powergen Asia & Renewable Energy World Asia 2014	10,000	10 – 12 September 2014
Automechanika Kuala Lumpur 2015	6,000	19 – 21 March 2015
International Human Genome Meeting 2015	1,000	16 –19 March 2015
10th Asia Pacific Congress of Allergy, Asthma and Clinical Immunology 2016	1,500	5– 8 November 2016

The Center recorded an increase in international delegates by more than 1,000 guests to 19,750 in 2011, compared with 18,725 in 2010. Datuk Peter Brokenshire, General Manager of Kuala Lumpur Convention Center says, "the steady increase in the number of delegates recorded over the last two years reinforces The Center's reputation, not only as a venue of choice in Malaysia, but also internationally. However, the continuing growth in head count signals the need for larger space. To meet this demand, the Center has acquired 2,600 square meters of additional space through a semi-permanent marquee adjacent to the Center known as Hall 6, this will enable The Centre to accommodate larger exhibitions, conferences, concerts and other events" (http://www.exhibitcitynews.com).

3. Methodology

Research methodology refers to the nature of research design and methods. Methodology guides the way researchers gain knowledge about the world and instructs the researchers in the way the research is constructed and conducted (Sikes, 2005). Methodology is, therefore, a vital part of any research project because it reflects upon, evaluates and justifies the methods used in the research (Wellington, 2003). The methodology used in a research project is often influenced by the practicality, feasibility, situational factors and also by personal predilections and interests (Sikes, 2005). The methodology and methods employed in any research usually rely on the purpose and area of inquiry. The best methodology and methods should be those which meet the research purpose and answer the research questions. Both qualitative and quantitative research approaches in developing a research methodology have its unique position.

The current study attempts to use both qualitative and quantitative research approaches. However, in order to

serve the aims and objectives of the study, the current study *mainly relies on quantitative research approach. According to* (Veal, 2005), *"the quantitative research* involves the gathering and analysis of numerical data" (p. 25), as it relies on numerical evidence to provide socio-economic demographic statistics, *descriptive statistics*, draw conclusions or to answer research questions. Therefore, the survey instrument used in this study is mainly quantitative. On the other hand, the current also study attempts to use some qualitative research approach in a way by asking few structured *open-ended* questions. According to (Veal, 2005), the qualitative research approach normally does not relate to numbers. It concerns collecting large amount of information about a small number of people rather than a limited amount of information about a large number of people. The survey instrument was based on three (3) major sections and demographics.

The first section comprises on "travel information" with categorical data questions (question number 1-11) about 'traveling to KL, Malaysia', 'airline/s used', 'air class', 'reason of choosing a particular airlines', 'flying passage', 'travelling with companions', 'number of adults traveling with', 'number of children traveling with', 'booking pre or post tours', 'number of nights stayed' and 'name of the hotel stayed'. The second section comprises on "delegate spending in US$" with categorical data questions (question number 12-19) about 'conference registration fees', cost of 'airfare' and 'hotel/accommodation', spending on 'local transportation, 'food and beverage', 'shopping', 'entertainment/activities', and 'other spending'. The third section comprises on "delegates experience" with ratings scales data questions 'one (1) being poor' and 'five (5) being excellent' (question number 20-26) about 'The Centre facilities and services', 'airline/s company', 'hotel/accommodation', 'local transportation, 'restaurants', 'shopping facilities', and 'entertainment/activities' in the city. This section also asked delegates opinions (recommendations) for improvements. Further this sections asked 'best' and 'least' (question number 27 & 28) about the city KL, also delegates 're-visit intentions' (question number 29) for the city were asked based on categorical data. Later a final question (question number 30) was asked about delegates satisfaction 'spending on this particular convention/meeting justify your visit/experience' in the city. The demographics of the study were mainly about 'gender', 'age', 'income level', and 'country of origin'.

The sample population of the study comprises of local (Malaysians) and foreign delegates attending MICE-related events in The Centre likewise refer in the study as business tourists. Ten (10) events were selected from the reserved list of events of The Centre in the year 2011 and year 2012—in order to set a benchmark, five (5) events were picked form each year's list of events—these selected events were held from June to November 2011 shown below in the Table 5 and from March to September 2012 also shown below in Table 6.

Table 5. Selected Sample Events for Year 2011 (n=907).

No.	Details of the Events	Dates of the Events	No. of Conference Attendees
1.	5th CINP Asia Pacific Regional Meeting 2011 by International College of Neuro-Psychopharmacology	19-22 June 2011	300
2.	70th Institute of Internal Auditors International Conference 2011 by Institute of Internal Auditors Malaysia (IIA Malaysia) and Institute of Internal Auditors (International)	10-13 July 2011	2,000
3.	SIFE World Cup 2011 by Ministry of International Trade & Industry (MITI) and Student in Free Enterprise (SIFE)	3-5 October 2011	1,500
4.	Asia Pacific Congress in Maternal Fetal Medicine (APCMFM) 2011 by PersatuanPendidikanObstetrik&Ginekologi Kuala Lumpur and The Fetal Medicine Foundation	14-16 October 2011	500
5.	21st Asia Pacific Cancer Congress 2011 by Malaysian Oncological Society (MOS)	9-12 November 2011	1,000

Note: Population (N=5,300); Sample-Size (n=907).

Table 6. Selected Sample Events for Year 2012 (n=775).

No	Details of the Events	Dates of the Events	No. of Conference Attendees
1.	15th Ottawa Conference 2012	10-13 March 2012	1,200
2.	1st World Congress on Healthy Ageing 2012	19-22 March 2012	1,000
3.	Royal Australasian College of Surgeons 81st Annual Scientific Congress 2012	7-11May 2012	2,000
4.	8th Design & Health World Congress 2012	9-12 September 2012	1,000
5.	14th Congress of the International Society for Peritoneal Dialysis 2012	9-12 September 2012	3,000

Note: Population (N=8,200); Sample-Size (n=775).

All of the delegates were targeted with a non-probability convenience sampling technique (Aaker, Kumar, Day & Leone, 2010) the most practical method in order to gather primary data. A fieldwork was carried with a team five (5) trained junior researchers (from University masters & degree students), hired on daily basis, on the premises of The Centre.

The study comprise on a total of 1,584 usable surveys collected during year 2011 and year 2012. During the year 2011, a total of n=950 (n=sample) survey questionnaires were collected from delegates who joined the said five (5) MICE-related events in 2011. However, only n=809 (sample size) surveys were found to be useful, representing 85.15% response rate from the original sample (n=950) and 15.26% response rate from the original population (N=5,300). This only indicates the actual population sample size is more than the 10% acceptable level. During the year 2012, again a total of n=950 (n=sample) survey questionnaires were collected from delegates who joined the said five (5) MICE-related events in 2012. However, only n=775 (sample size) surveys were found to be useful, representing 81.58% response rate from the original sample (n=950) and 9.45% response rate from the original population (N=8,200). This only indicates the actual population sample size is almost near to 10% acceptable level.

For quantitative data analysis, the current study employs SPSS 21.0 for windows. Descriptive analysis such as frequencies, percentages, graphs, means, and standard deviations are calculated for both year 2011 and year 2012 data, and comparisons are presented among both years. For qualitative data analysis of structured open-ended questions, patterns and trends in the responses were observed to reach some conclusions combing both year 2011 and year 2012 data.

4. Findings

4.1. Demographic breakdown of the sample

Results showed that for both year 2011 and year 2012 most of the respondents were females (50.6% for year 2011 & 51.9% for year 2012). For year 2012 the majority of the respondents were between the ages of below 30 (30.9%), a bit young in age and for year 2012, the majority fall in between the age group of 41-50 (30.5%), more mature personalities. With respect to income level (monthly), for year 2011, 33.9% of the respondents were earning below US$ 2,000, and for year 2012, 51.4% of the respondents were earning US$ 4001 or more. The reason for such a variation among year 2011 and year 2012 age group and income level is due to the fact the year 2011 had conferences with attending delegates as a number of students. In terms of respondents' country of origin, for year 2011, 30% were Malaysian nationality, while the remaining 70% were foreign nationalities. On the other hand, in terms of respondents' country of origin for year 2012, 16.1% were Malaysian nationality, while the remaining 83.9% were foreign nationalities. Of these ten (10) international MICE-related conferences, delegates were coming from 278 cities (states/provinces) and 83 countries around the globe (continents) from Africa, America, Asia, Europe, Middle-East and Oceania.

4.2. Delegates travel information

Results showed that for both year 2011 and year 2012 most of the respondents travelled to Kuala Lumpur/Malaysia by air (76.9%; 85.3%). In the case of respondents' preference in traveling with a specific airline(s) company, during both year 2011 and year 2012, all of these delegates travelled with 48 different airline companies with Malaysian Airlines (23.2% for year 2011 & 35.2% for year 2012) as the top airline preference.

Other most preferred airlines mentioned include Air Asia (6.8% for year 2011 & 7.9% for year 2012), Emirates Airlines (5.3% for Year 2011 & 5.7% for year 2012), Cathay Pacific Airlines (4.9% for year 2011 & 3.2% for year 2012), Singapore Airlines (4% for year 2011 & 6.1% for year 2012), Cebu Pacific Air (4.1% for year 2011) and Thai Airlines (12.1% for year 2012). Other interesting delegates' travel information include the following: the majority of the respondents used economy class (63.4% for year 2011; 84.5% for year 2012); the delegates reason for choosing particular airline(s) was either it was recommended by their company/conference organizer (18.9% for year 2011) or it was considered to be a trusted airline (25.6% for year 2012); in the case of flying passage, respondents had the opportunity to have direct flights (45.4% for year 2011 & 50.6% for year 2012) however 21.9% (for year 2011) and 25.5% (for year 2012) of the respondents had to use connecting flights as all of these delegates came from 278 cities and 83 countries around the world. In the case of delegates traveling with companion(s), 53% (for year 2011) and 34.7% (for year 2012) of respondents travelled with friends, which means that majority of the respondents attended these conferences/meetings in groups, however, a notable percentage (14.5% for year 2011 & 23.9% for year 2012) of respondents preferred to travel with family (e.g. spouse/partner or children). Among them, for year 2011, 34.2% of respondents travelled with more than 3 persons (Adults) in their travel party, and for year 2012, 25.6% of respondents travelled with at least 1 person (Adult) in their travel party, and 4.2% (for year 2011) and 4% (for year 2012) of respondents travelled with 1 child in their party. Majority (68% for year 2011 & 74.1% for year 2012) of the respondents had no booking while the rest had pre or post booked tours. Average length of stay of the delegates ranged from 3-5 days (55.8% for year 2011 & 62.5% for year 2012) in 85 various hotels in the city, Kuala Lumpur. The most preferred hotels include Traders Hotel (9.1% for year 2011 & 18.8% for year 2012), Mandarin Oriental Hotel (7.4% for year 2011 & 14.7% for year 2012), Impiana Hotel (7% for year 2011 & 11.7% for year 2012), Hotel Novotel (5.2% for year 2011 & 8.5% for year 2012) and Crown Plaza (8.9% for year 2012). A notable percentage of respondents (5.1% for year 2011) stayed with family or friends. Although, respondents have lower average length of stay, however, they have higher yield of spending as shown in the succeeding section.

4.3. Delegates spending

This section presents delegates spending visiting The Centre for attending conferences/meetings. The results in Table 7 showed that for year 2011, 31.9% of respondents paid less than US$ 500 as their conference/meeting registration fees and for year 2012, 41.4% of respondents paid US$ 501-1000 as their conference/meeting registration fees, however, 18.3% (for year 2011) and 15.5% (for year 2012) of respondents had their conference/meeting registration fees paid by the sponsor. A number of respondents for year 2011, 29.1% had less than US$ 500 as their cost of airfare and for year 2012, 33.3% had US$ 501-1000 as their cost of airfare. However, 23.9% (for year 2011) and 29.3% (for year 2012) paid more than US$ 1001. Cost of hotel/accommodation shows that 33.1% (for year 2011) and 45.5% (for year 2012) of the respondents paid less than US$ 500 while 4.9% (for year 2011) and 18.6% (for year 2012) of them paid more than US$ 1001. Moreover, spending of the respondents on local transportation and food and beverage has only less than US$ 100, with 46.2% (for year 2011) and 55.2% (for year 2012), and 31.9% (for year 2011) and 33.4% (for year 2012), shares, respectively. Furthermore, spending of respondents on shopping and entertainment activities was less than US $500, with 46.1% (for year 2011) and 54.2% (for year 2012), and 52.8% (for year 2011) and 55% (for year 2012), shares, respectively. Other spending on various items not mentioned shows that 27.9% (for year 2011) and 33% (for year 2012) of respondents spent less than US$ 500.

An average analysis on delegates spending for year 2011 shows that majority (37.3%) of respondents (business tourists) visiting The Centre spent approximately US$ 3,200 (RM 9,731: Converted as of 28 January 2013 from www.xe.com), however, (12.1%) of them spent approximately US$ 6,408 (approximately RM 19,486: Converted as of 28 January 2013 from www.xe.com) or more. Similarly, an average analysis on delegates spending for year 2012 shows that majority (43.8%) of respondents (business tourists) visiting The Centre spent less than US$ 3,700 (RM 11,448: Converted as of 16 December 2013 from www.xe.com), however, (15.2%) of them spent US$ 6,408 (approximately RM 19,826: Converted as of 16 December 2013 from www.xe.com) or more.

It only shows business tourists attending MICE-related events in The Centre have higher spending thus generate more income for the domestic economy of Malaysia. With this amount, it can also be described that MICE-related events in The Centre attracts higher yield business tourist, an important factor for Malaysia's tourism sustainability.

Table 7. Delegates Spending (in total, US$).

	2011		2012	
	Frequency	Percentage	Frequency	Percentage
Conference/Meeting Registration Fee(s)				
None	0	0	0	0
Less than 500	258	31.9	158	20.4
501-1000	194	24	321	41.4
1001 or more	209	25.8	176	22.7
Paid by the sponsor	148	18.3	120	15.5
Total	809	100.0	775	100.0
Cost of Airfare				
None	187	23.1	114	14.7
Less than 500	236	29.1	176	22.7
501-1000	193	23.9	258	33.3
1001 or more	193	23.9	227	29.3
Total	809	100.0	775	100.0
Cost of Hotel/Accommodation				
None	270	33.4	9	1.2
Less than 500	268	33.1	353	45.5
501-1000	231	28.6	269	34.7
1001 or more	40	4.9	144	18.6
Total	809	100.0	775	100.0
Spending on Local Transportation				
None	160	19.8	95	12.3
Less than 100	374	46.2	428	55.2
101-200	197	24.4	170	21.9
201 or more	78	9.6	82	10.6
Total	809	100.0	775	100.0
Spending on Food and Beverage				
None	119	14.7	61	7.9
Less than 100	258	31.9	259	33.4
101-200	235	29	230	29.7
201 or more	197	24.4	225	29.0
Total	809	100.0	775	100.0
Spending on Shopping				
None	160	19.8	74	9.5
Less than 500	373	46.1	420	54.2
501-1000	187	23.1	195	25.2
1001 or more	89	11	86	11.1
Total	809	100.0	775	100.0
Spending on Entertainment/Activities				
None	278	34.4	242	31.2
Less than 500	427	52.8	426	55.0
501-1000	83	10.2	80	10.3
1001 or more	21	2.6	27	3.5
Total	809	100.0	775	100.0
Other Spending				
None	513	63.4	443	57.2
Less than 500	226	27.9	256	33.0
501-1000	51	6.3	44	5.7
1001 or more	19	2.4	32	4.1
Total	809	100.0	775	100.0

4.4. Delegates experience

The results demonstrated that for year 2011 respondents experience had relatively high perception scores (mean ≥ 3.5) regarding 'Kuala Lumpur Convention Centre facilities and services' and 'shopping facilities'. However, there was a relatively low perception score (mean ≤ 3.5) for 'airline/s company', 'hotel/accommodation', 'local transportation', 'restaurants', and 'entertainment/activities'. Similarly, for year 2012 respondents experience had relatively high perception scores (mean ≥ 3.5) regarding 'Kuala Lumpur Convention Centre facilities and services', 'hotel/accommodation', and 'shopping facilities'. However, there was a relatively low perception score (mean ≤ 3.5) for 'airline/s company', 'local transportation', 'restaurants', and 'entertainment/activities'. The low perception scores represents that the delegates who participated in MICE-related events at The Centre were sensitive in the said low perception areas, which needs considerable efforts for improvements to sustain a fruitful delegates experience.

In addition to these experiences, respondents had noted some concerns such as 'traffic jam and parking problems in the city', 'monorail facilities to be expanded and improved', 'attitude of immigration officers at the airport', 'long waiting queues in customs hall of the airport', and 'welcome reception of some hotels was poor and hotels to improve on the services'. These were some of the issues raised by the respondents that are useful for concerned authorities to consider in their future plans to further improve its services and facilities.

Furthermore, results showed that the respondents opinion describing the best and least about the City of Kuala Lumpur. The delegates found the city 'very attractive and modern looking', 'appreciate business developments in the city and government strategy for future country development', 'the architect and infrastructures of the city', 'tourist attractions and downtown city centre', 'natural beauty of the city and sightseeing attractions', 'friendliness and hospitality of the local people', 'cultural diversity (and unique respect among religions) of the local people and city', 'amazing shopping and entertainment (restaurants and bars) facilities', 'a very rich cultural and modern food and restaurant facilities', 'hygiene and cleanliness in the city', 'the fare (cheap) prices of shopping and dining', 'convenience of transportation facilities and its integration', 'distance from Singapore and Thailand', and 'amazing weather'. Other delegates dislike mainly the 'rising pollution in the city', 'traffic problems', 'taxis' (e.g. divers not using taxi meters) etc. Some of these descriptions are both listed in the best and least (such as issues related to 'cleanliness', 'transportation' etc.). Please note that these are just perceptions of the delegate thus may only applicable to one's individual judgment.

Results also showed that about 40.5% (for year 2011) 47% (for year 2012) of the respondents are likely to re-visit Kuala Lumpur within next three (3) years as shown in the respondents' overall experience. This only validates respondents' high perception (mean=4.39 for year 2011 & mean=4.63 for year 2012) on 'their spending at convention/meeting to justify their visit/experience in Kuala Lumpur' implies that delegates were over-all satisfied and happy.

5. Conclusion and recommendations

In view of these findings, the current study concluded the following. Malaysia's business tourism may be described according to the review of literatures cited. This may be according to scope of business activities in relation to tourism and existing practices or one may refer this as a meeting industry or one may look the demand side that explains the expenditures made by an individual associated with business tourism trip. The study operationally defined business tourism as 'travel related activities and travel expenditures of business tourists attending international MICE-related events' at The Centre either as local or foreign participants. The study limits its scope specifically in ten (10) MICE-related events conducted at The Centre in 2011 & 2012 to provide better view of the micro impacts and benefits of business tourism in Malaysia. To answer the objectives of the study, simple qualitative and quantitative methods were applied.

To highlight the findings of the study, majority of the respondents (70% for year 2011 & 83.9% for year 2012) are foreign nationalities coming from 278 cities and 83 countries around the world while the remaining are local Malaysians. Respondents of the study highly preferred Malaysian Airlines per recommendation of their company/conference organizer. Majority travelled by direct flights via economy class, however, 21.9% (for year 2011 & 25.5% for year 2012) of the respondents had to use connecting flights. Majority of the respondents had no booking arrangements for pre or post tours. Most preferred hotels are Traders, Hotel, Mandarin Hotel, Impiana Hotel, Hotel Novotel and Crown Plaza. For both years, average length of stay is only 3-5 days while average

spending amounting to be less than US $3,200 for year 2011 and US$ 3,700 for year 2012 during their period of stay. Their average spending on various items such as conference registration, airfare, hotel/accommodation, local transportation, food and beverage, shopping and entertainment are either near US$ 500 or more. Business tourists attending MICE-related events in The Centre have higher spending thus generate more income for the domestic economy of Malaysia.

Moreover, with regards to respondents' travel experiences in Malaysia, they have high perception ratings regarding 'Kuala Lumpur Convention Centre facilities and services' and 'shopping facilities' for both year 2011 and year 2012, however, 'hotel/accommodation' was also reported to have high perception ratings for year 2012. The low perceptions were for airlines, hotel accommodation (for only in year 2011), local transportation, restaurants and entertainment/activities.

Some notable concerns raised by the respondents include 'traffic jam and parking problems in the city', 'monorail facilities to be expanded and improved', 'attitude of immigration officers at the airport', 'long waiting queues in customs hall of the airport', and 'welcome reception of some hotels was poor and hotels to improve on the services'. In spite of these, they found Kuala Lumpur 'very attractive and modern looking', 'appreciate business developments in the city and government strategy for future country development', 'the architect and infrastructures of the city', 'tourist attractions and downtown city centre', 'natural beauty of the city and sightseeing attractions', 'friendliness and hospitality of the local people', 'cultural diversity (and unique respect among religions) of the local people and city', 'amazing shopping and entertainment (restaurants and bars) facilities', 'a very rich cultural and modern food and restaurant facilities', 'hygiene and cleanliness in the city', 'the fare (cheap) prices of shopping and dining', 'convenience of transportation facilities and its integration', 'distance from Singapore and Thailand', and 'amazing weather'. Although, other delegates dislike the 'rising pollution in the city', 'traffic problems', 'taxis' (e.g. divers not using taxi meters) etc. But, a number of respondents have affirmed to re-visit Kuala Lumpur within next three (3) years.

Some important points to consider are the lower average length of stay of business tourists (3-5 days), however, this can be offset by the higher yield of spending (US$ 3,200 for year 2011 & US$ 3,00 for year 2012) per tourist which generates more income for the domestic economy of Malaysia and an important factor for Malaysia's tourism sustainability. Some of the issues raised by the respondents are useful reference for concerned authorities to consider in their future plans in order to further improve its services and facilities. Moreover, this will also provide good reason for the business tourists to revisit Kuala Lumpur and other parts of Malaysia.

The focus of recommendations will be the concerns raised by the respondents as observed by them during their short stay in KL and as a participant in various international MICE-related events at The Centre.

- Although some of the tourism related projects were already in the pipeline, the local and national governments should act quickly in the implementation and operations of the said facilities and infrastructures;
- The immigration agencies should review its existing policies with regards to the point of entry of foreign tourists to solve the long queue and other related customs problems;
- Relevant authorities of the airline companies may review its destination routes to minimize the connecting flights;
- Various hotel associations should further improve hotel facilities and infrastructures through adopting more customer care services;
- Relevant authorities should carefully look at common problems such as traffic jam, pollution, taxi drivers who asked exorbitant fare should be carefully reviewed and immediate solutions should be formulated to eliminate at least at the minimal level these problems;
- Need for government and private financial and administrative supports to undertake similar study to further boost growth of the meeting industry sector.
- Further studies should be conducted to include international conferences/meetings at various convention centres in the country and a comparative study among major players in the industry may provide further fruitful results.

Acknowledgement

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