

**THE ROLE OF SERVICE MARKETING AND INNOVATION IN THE  
DEVELOPMENT OF MEETING, INCENTIVES, CONVENTIONS AND EXHIBITIONS  
(MICE) INDUSTRY: A CASE STUDY OF KENYATTA INTERNATIONAL  
CONVENTION CENTRE (KICC).**

**BY**

**ELIJAH CHERUIYOT KORIR**

**A management research project**

**submitted in partial fulfilment of the requirements for the award of the Degree of Master  
of Business Administration (MBA), school of business, University of Nairobi**

September 2013

**DECLARATION**

This research proposal is my original work and has not been presented for a degree in any other university.

**ELIJAH CHERUIYOT KORIR**

Signature.....Date.....

This research proposal has been submitted for examinations with my approval as university supervisor.

**MR. VICTOR MONAYO**

Signature.....Date.....

## **ACKNOWLEDGEMENT**

I would like to express my gratitude to my supervisor Victor Monayo for the insightful criticism and patient encouragement throughout the learning and writing process of this project.

Furthermore I would like to thank John Wakofula for introducing me to the topic as well for the support on the way. Also, I like to thank the participants in my case study, who have willingly shared their precious time during the process of interviewing.

I would also like to thank my loved one Elle Claire Cheruiyot, for supporting me throughout entire process, both by keeping me harmonious and helping me putting pieces together. I will be grateful forever for your love.

## **DEDICATION**

I dedicate this project to my father God Almighty for I couldn't do this project without His Grace. To Him be the Glory for ever and ever.

I would also like to dedicate this work to my late father Philip Kenduiwa for teaching me to remain focused even in the midst of trial and temptation for I will always emerge victorious. Rest in Peace dad.

Finally I would like to dedicate this to my family for the unwavering steadfast support accorded to me during the research period. God bless you abundantly Elle.

## **ABSTRACT**

This study was intended to establish the role of innovation and service marketing in the development of the meeting, incentives, conferencing and exhibitions (MICE) industry. The study outlined and discussed the pitfalls of innovation implementation and how the key players can be able to improve on innovation adoption. The study was done at the Kenyatta International Convention Centre (KICC). The case study method was used and the research tool used was an interview guide. Data was collected from nine respondents, and this was analysed using content analysis and presented in frequency tables. The study found out that some of the roles of innovation and service marketing in the MICE industry was the creation of employment and the sustainability of MICE industries. The other importance of innovation that came out from the study was the addition of value to destination areas, ensuring repeat clients and retaining the existing ones and making products tangible by making them new every time. The study also highlighted the challenges facing KICC in the adoption of innovation and service marketing as; inadequate funds, lack of enthusiasm from the staff in embracing innovative ideas. Being an old structure it suffers obsolescence in terms of equipment, technology and the meeting rooms require urgent refurbishment and modernization. The other challenges that were revealed from the study includes; bureaucracy, volatility of tourism industry, government interference, lack of proper knowledge of the facilities mandate by both the public and staff and resistance to change. The study recommended the need to look for alternative ways of sourcing funds to ensure implementation of innovation projects and service marketing initiatives. It also recommended restructuring to minimize red tape in order to ensure a smooth flow of processes and timely approval of innovation proposals. The study also called for the training of management team on the importance of change management especially on the roles of innovation and the advantages associated with it to reduce incidents of resistance to change.

## TABLE OF CONTENTS

<b>DECLARATION</b> .....	i
<b>ACKNOWLEDGEMENT</b> .....	ii
<b>DEDICATION</b> .....	<b>iii</b>
<b>ABSTRACT</b> .....	iv
<b>ABBREVIATIONS AND ACRONYMS</b> .....	ix
<b>CHAPTER ONE: INTRODUCTION</b> .....	1
1.1 Background of the Study .....	1
1.1.1 The Concept of Service Marketing.....	2
1.1.2 The Concept of Innovation .....	3
1.1.3 The Concept of Meetings, Incentives, Conventions and Exhibitions Industry.....	3
1.1.4 An Overview of the MICE Industry .....	4
1.1.5 Kenyatta International Convention Centre (KICC).....	5
1.2 Research Problem .....	6
1.3 Research Objective .....	7
1.4 Value of the Study .....	7
<b>CHAPTER TWO: LITERATURE REVIEW</b> .....	8
2.1 Introduction.....	8
2.2 Theoretical Foundation of the Study.....	8
2.3 Service Marketing Concept.....	9
2.4 Key Elements of the MICE Industry .....	10
2.5 The Importance of the MICE Industry.....	11
2.6 The Role of Innovation in the MICE Industry.....	13
2.7 Challenges to Innovation in the MICE industry .....	15

2.8 Current Trends in the MICE Industry.....	16
2.9 Remedies to Innovation Dynamics.....	17
<b>CHAPTER THREE: RESEARCH METHODOLOGY.....</b>	<b>18</b>
3.1 Introduction.....	18
3.2 Research Design.....	18
3.3 Data Collection.....	18
3.4 Data Analysis.....	18
<b>CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND INTERPRETATIONS.....</b>	<b>20</b>
4.1 Introduction.....	20
4.2 Background Information of the Respondents.....	20
4.2.1 Position in KICC.....	21
4.2.2 Current job status at KICC.....	22
4.3: Importance of MICE Industry.....	22
4.4. Main Activities held at KICC.....	22
4.5 Roles of Innovation and Service Marketing in the MICE industry.....	23
4.6 Challenges Faced by KICC In the Process of Innovation Adoption.....	23
4.7 Strategies for Enhancing Adoption of Innovation Within the MICE Industry.....	23
<b>CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS.....</b>	<b>24</b>
5.1 Introduction.....	24
5.2 Summary and Discussion of the Findings.....	24
5.2.1 Importance of MICE Industry.....	24
5.2.2 Main Activities held at KICC.....	25
5.2.3 Roles of Innovation and Service Marketing in the MICE Industry.....	25
5.2.4 Challenges faced by KICC in the Process of Innovation Adoption.....	27

5.2.5 Strategies for Enhancing Adoption of Innovation and Service Marketing at KICC	28
5.3 Conclusions.....	28
5.4 Recommendations for Policy and Theory.....	29
5.5 Recommendation for Further Research .....	30
<b>REFERENCES.....</b>	<b>31</b>
<b>APPENDIX ONE: LETTER OF INTRODUCTION .....</b>	<b>34</b>
<b>APPENDIX TWO: INTERVIEW GUIDE.....</b>	<b>35</b>



## LIST OF TABLES

Table 4.1: Years of work at KICC .....	20
Table 4.2: Position in KICC.....	21
Table 4.3: Current job status at KICC .....	22

## **ABBREVIATIONS AND ACRONYMS**

**CBD** : Central Business District

**ICCA** : International Congress and Convention Association

**ICT** : Information Communication and Technology

**KANU**: Kenya African National Union

**KICC** : Kenyatta International Convention Centre

**MICE** : Meetings, Incentives, Conventions and Exhibitions

**ROI** : Return on Investment

**SPSS** : Statistical Package for Social Scientists

## **CHAPTER ONE: INTRODUCTION**

### **1.1 Background of the Study**

The service industry is involved in retail, transport, distribution, food services, as well as other service-dominated businesses. A service element that exceeds expectations gives clients a sense of satisfaction and creates a feeling of goodwill towards an organisation. Customers start to develop trust and confidence in the brands. Service element has four key dimensions: 1. service operation which is the way in which the service is delivered; 2. service experience which is the customer's direct experience of the service; 3. service outcome which is the benefits and results of the service for the customer and 4. value of the service which is the benefits the customer perceives as inherent in the service weighed against the cost of the service.

Innovations play a key role in the service industry. The adoption of technology and modern channels of communication such as social media play an important part in promoting service business as they increase awareness, improve and maintain a high level of customer service, while communicating directly with target audiences. Innovation has facilitated service promotional and marketing efforts and today organizers in the industry do one-to-one meetings, focused events, direct mail communications and offline and online campaigns with customers (Davidson, 2001).

Today, global competition is forcing service organizations to constantly attempt to find innovative ways to serve customers more effectively and efficiently. The service industry has adopted strategies that can ensure that their services are well marketed across the globe. One of the latest strategies employed is the participation of the companies in congregations, seminars, exhibitions and other marketing events. This mushrooming specialized service industry has been dubbed as MICE Industry, where MICE stand for Meetings, Incentives, Conventions (Conferences) and Exhibitions. This industry has risen to cater for the unique needs of companies and maximization of profits. Besides bringing industry counterparts together, these events help companies in synergizing ideas and bringing in additional clients, increased sales and

revenues. In addition, MICE industry serves as a cost effective means of advertising (Davidson 1992). The industry has for a long time been recognized as a sector that draws lucrative direct and indirect revenue for host destinations. Besides, it also creates employment opportunities and generates foreign exchange (Dwyer et al 2000).

Since its inception, the industry has offered companies three key business related elements which are; large output, large opportunities for employment and large industry associations. Again, the industry has come with three added advantages vis; the efficient utilization of human resources, technological know-how, and assets. The industry has enabled companies to expand their customer base and retention as a result of advertisement and marketing of their products worldwide (Middleton and Clarke 2001).

### **1.1.1 The Concept of Service Marketing**

A service organization can only deliver a service after integrating (or outsourcing) investments in numerous assets, processes, people, and materials. Much like manufacturing a product composed of hundreds or thousands of components, services similarly consist of hundreds or thousands of components. However, unlike a product, service components are often not physical entities, but rather are a combination of processes, people skills, and materials that must be appropriately integrated to result in the ‘planned’ or ‘designed’ service. Lovelock and Wright (1999) use the “8Ps” of marketing which encompass the elements of the service product, process, place, physical evidence, people, productivity and quality, plus additional marketing elements, price and promotion.

The service concept clearly has a key role to play in service design and development, not only as a core element of the design process but as a means of “concretizing” the nature of the service. The service concept not only defines the how and what of service design, but also ensures integration between the how and the what. Furthermore, the service concept can also help mediate between customer needs and the organization’s strategic intent. The service concept has the following attributes: service operation; service experience; service outcome and value of the

service. The four features encompass the domain of the MICE industry. Deconstructing a service into the and the how or into its components allows players in the MICE industry to identify the various elements of a service concept, check them against customers' needs, and then design and deliver those elements.

### **1.1.2 The Concept of Innovation**

Today, many organizations acknowledge that innovation is important to their growth and success. The starting point for innovation is the generation of creative ideas and innovation itself is the process of taking those ideas to market or to usefulness. The concept of innovation concerns the search for and the discovery, experimentation, development, imitation and adoption of new products, new processes and new organizational set ups. Innovation is divided into two: Incremental innovation and radical innovation. Incremental innovation seeks to improve the systems that already exist, making them better, faster cheaper.. Radical innovation is more focused on new technologies, new business models and breakthrough businesses (Ijuri and Kuhn, 1988).

### **1.1.3 The Concept of Meetings, Incentives, Conventions and Exhibitions Industry**

The meeting, incentive, convention, and exhibition (MICE) industry, a service industry combining trade, transportation, finance, and travel has been active in some countries for the last five decades. The MICE industry is characterized by Three Highs high growth potential, high added-values, and highly beneficial innovations; the "Three Larges large output, large opportunities for employment, and large industry associations; and the Three Advantages advantage over other industries in human resources, technological know-how, and the efficient utilization of assets.

The conceptual analysis of the MICE industry can be based on soliciting factors that make a place a best destination and and benchmarking them against the prevailing ground realities. Such an approach can help identify the critical gaps and lacunae that a destination needs to address in

order to position it as a competitive MICE destination. Lovelock and Wright (1999) noted seven variables that determine the success of a destination: MICE facilities and lodging, cost and affordability, leisure and entertainment facilities, service quality and professionalism, infrastructure and accessibility, business-friendliness and image and government support. These factors vary from one destination site to another.

The conceptual framework of MICE industries is made up economic issues in that the MICE sector brings several contributions to the tourism sector and the destination, government support in that governments support the MICE industry because of its economic benefits, infrastructure, transport and access in that the setting up of infrastructure required for MICE need to be well-planned and executed so that positive attributes can benefit the destination and lastly marketing and image in that the MICE industry should market itself in such a way as to meet customer demand and supplier needs thus ensuring a match between corporate and marketing capabilities.

#### **1.1.4 An Overview of the MICE Industry**

The MICE industry is composed of Meetings, Incentives, Conventions and Exhibitions. Meetings can be held for commercial or non-commercial reasons but is mostly generated by the corporate sector as its high yielding, with millions of meetings held all over the world on a daily basis (Campiranon & Arcodia, 2008). Incentive travel is a universal management instrument that uses an outstanding travel experience to encourage and/or recognize participants for improved levels of performance in support of the organizational goals (SITE, 2013). Conventions are participatory meetings that are designed mainly for the purpose of discussion, finding and sharing information, solving problems and consultation. Conventions are usually limited in time and have specific objectives. Exhibitions bring suppliers of goods and services together with buyers, usually in a particular industry sector (Allen et al., 2002). Exhibitions are also known as expositions, because they are intended to bring together different suppliers in an environment where they can display and promote their products or services to the attendees on the show floor.

The MICE industry has grown over the past decades. It is not only known as a service industry but also as one of the fastest growing sectors of the tourism industry (Dwyer & Forsyth, 1997;). The industry is multi-sector and integrates services and products from varied sectors, i.e. Travel management; Hospitality; Transportation, ICT, Recreation/entertainment; and has linkages to advertising. Due to its cross-sector nature, MICE generate economic benefits across sectors. The MICE industry is characterized by three highs: high growth potential, high added values, and highly beneficial innovations. Today, the industry is one of the fastest growing segments within the travel and tourism industry generates millions in revenues for cities, countries, as well as the stakeholders making it happen (Dwyer and Forsyth 2008).

Kenya is currently rated as the second most preferred conference and business tourism destination in Africa after South Africa (International Congress and Convention Association, ICCA 2010). This performance is attributed to the country's desire to provide high service levels and provision of conferencing services of international standards to delegates across the globe. City conferencing remains Kenya most popular form of conventions due the more business-oriented nature of cities and the large variety of facilities available and Nairobi is the main destination of conferencing in the country.

The promotion of MICE is part of a broader strategy to diversify the country's tourism offering; and has seen the development & launch of the National MICE strategic Plan 2011-2015, developed by the National MICE Committee & Secretariat. The plan lays out the strategic direction for the sub-sector and defines the roles of various government institutions and the private sector in realizing these goals (ICCA 2010).

#### **1.1.5 Kenyatta International Convention Centre (KICC)**

The construction of Kenyatta International Convention Centre (KICC) formerly Kenyatta International Conference Centre, was completed in 1973, with the opening ceremony occurring in September 1973 presided over by the late President Jomo Kenyatta. The building consists of a podium, main tower and Plenary. The KICC is the leading MICE venue in Kenya. The thirty

storey building in the Nairobi Central Business District (CBD) is a land mark of Kenya's skyline. It is a unique building, has a helipad and was purposely built for conference tourism. The facility provides organizers with space for events, performances, exhibitions, concerts, dinners, award ceremonies in the indoor and the outdoor facilities (ICCA 2010).

## **1.2 Research Problem**

The service concept allows for consideration of any performance measures that are relevant to either customers or the service organization, and models or frameworks that integrate performance measures for service delivery systems similarly require flexibility in addressing this important feedback element of service design planning. Since the sixties, MICE market has grown significantly to become a very important sector of the tourism industry (Bowdin et al., 2001) and highly specialized (Swarbrooke and Horner, 2007). This industry has a number of benefits to all the stake holders involved. Participating countries have grown their economy through foreign exchange, creation of employment, utilization of accommodation and recreation facilities by delegates attending the events among other trickle down effects of the MICE industry.

Innovation originates as a result of a shock (a major failure) to the system, problemistic search, random variability in experimentation, deliberate decision to invest in learning, match between a need and ideas which already exist, formal vehicles for stimulating innovation such as research and development, managerial risk seeking or risk averse behavior, availability of slack resources management philosophy and organizational climate, and customer needs (Ijuri and Kuhn, 1988).

Previous studies have shown that innovation plays a crucial role in the service industry. Kinyua (2011) cited innovation as one of the commonly adopted strategies by supermarkets in Kenya for competitive advantage. The same was echoed by Kamande in her study on competitive strategies adopted by mobile phone companies in Kenya (Kamande 2011). Oori (2011) also cited innovation as strategy employed by commercial banks in Kenya to build competitive advantage. Although a number of studies have been done on role of innovation on the service industry, a



knowledge gap exists. None of the studies has focused on the role played by innovation in the development of MICE industry (Pearlman, 2008). The study is therefore intended to answer the following question: What is the role of innovation in the development of MICE industry?

### **1.3 Research Objective**

The objective of this study is to determine the role of service marketing and innovation in the development of meeting, incentives, conferencing and exhibitions (MICE) industry.

### **1.4 Value of the Study**

This study aims to highlight the role of innovation in the development of MICE industry and the benefits that accrue to the organization as a result of innovation. The study will be of great importance to the stakeholders in the MICE industry in Kenya as they will know the role of innovation in the MICE industry in Kenya. Such information will be important for the industry as the stakeholders will have a bigger picture of the how innovation may steer the growth of the industry.

The study will further outline and discuss the pitfalls of innovation implementation and effectively let the player(s) or the management in this field have a grip of how they can be able to improve on innovation adoption. To KICC, the study will give recommendations for better innovation embrace as well as future projects related to innovation. The stake holders in the MICE industry shall benefit from the findings of the study in that it will formulate effective strategies for innovation adoption in the MICE industry and use the principles of the study to improve the performance of their services, acknowledge challenges that afflict its organizations and put in place a framework that would address the pertinent issues raised by these organizations.

Finally, to the academia, the research will contribute to the existing literature on MICE studies. Such information will be useful to future researchers who would like to do studies on MICE industry. Future researchers will also benefit in that they will be able to increase their understanding of the pertinent issues that underpin the study.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter introduces a theoretical foundation of the role of innovation in any industry. The researcher reviews the importance of MICE industry, the role of innovation in the MICE industry and the challenges to innovation within the MICE industry.

### **2.2 Theoretical Foundation of the Study**

The commonly used theories on service marketing and innovations are disruptive innovation theory and sustaining innovation theory (Christensen et al 2006). A disruptive innovation theory is based on the creation of new markets and value network which eventually goes on to disrupt an existing market and value network (over a few years or decades), displacing an earlier technology (Danneels 2004). On the other hand sustaining innovation theory does not create new markets or value networks and it is based on the evolution of existing ones with better value hence allowing the firms within to compete against each other's sustaining improvements (Anthony et al 2004). This study will adopt both theories.

Both theories are applicable in the study based on the impact of innovation in the MICE industry. Innovation leads to the creation on new markets and value network, which is evident in the MICE industry. This leads to an increase in customer base which eventually leads to profit maximization. However, with time the new innovation may phase out earlier innovations that have been in use. One of the proponents of disruptive innovation theory, Clayton, gave an example of the excavating equipment industry where hydraulic actuation slowly displaced cable-actuated movement (Clayton 2003).

On the other hand, innovation may involve the evolution or upgrading existing forms of technology. Upgrading increases value on the existing forms of innovation and this serves as a competitive ability to the organization (Tushman and Anderson 1986).

### **2.3 Service Marketing Concept**

Kotler (1999) define marketing as the delivery of customer satisfaction at a profit. The main tasks of marketing are attracting new customers by providing superior value, and keeping current customers by developing satisfaction. In terms of a service it means, that a firm can only exist and grow, when it keeps it current clients by satisfying theirs expectations, and adding value to theirs businesses. In turn the success with one customer attracts new clients, who create new demand for the services.

The intangibility of service industry affects the possibilities of marketing. Contrary to products, services do not have a fancy package for the client to see, touch, hear, or smell. It cannot be sold like automobiles or deodorants (Greiner & Metzger, 1983). A service industry sells promises not guarantees and prospective clients can hardly detect, if the offered services are of any use for them. Traditionally to attract new customers was often overemphasized. A well managed service firm will work hard to retain and grow its existing customers (Lovelock, 1996). It is said that it costs five to six times more to attract a new customer than to keep an existing one hence marketing service activities should be focused to a larger extent on existing clients claims.

When selling a service the customer experience is extremely important to closing the deal and marketing effectively. The experience has an impact on the perceived value of the service. Services also tend to have the reputation built on one person. The people involved in selling and performing the service have the ability to make or break a company's reputation. Consumers often find it more difficult to compare service vendors since they can not touch or feel the product. Instead, customers have to trust that the service will be performed as promised. In addition a service can not be returned meaning that if a service is purchased, but does not live up to the consumers expectation they can not return it for a new product. This costs the consumer time and as individuals we often feel our time is more valuable than money (Middleton and Clarke, 2001)

The traditional marketing has 4 Ps but when it comes to service marketing, three more Ps are added. The traditional marketing components include: Product, Price, Place and Promotion. Marketing services involves three more components: people, physical evidence and processes. (Lovelock, 1996). By developing 4 Ps of marketing and enhancing them with the three mentioned above the business can successfully market its service even though they are selling the invisible (Middleton and Clarke, 2001).

## **2.4 Key Elements of the MICE Industry**

Davidson (1994) stresses that a meeting can have commercial or non-commercial purpose, where the number of attendee can vary from six to many hundreds and its duration can last few hours to a week. Meetings are part of business tourism as they use other tourism services and usually they are held away from the organisation place. The reasons to hold meetings can be very diverse but the common explanation is to solve problems and find new solutions to the changing market (Davidson, 2007). According to the UNWTO (1997), the main purpose of a meeting is to exchange information with others in the same profession or association and Davidson (2007) stresses that it is the most effective way to do so. Most of the time, meetings involve a few executives who discuss business-related themes.

Another lucrative sector of the MICE industry is incentive travel, which is used by organisations to motivate and reward its employees and sometimes its distributors and retailers (Fenich, 2005). As incentives involve people who travel because of their performance at work, it is a part of business tourism (Davidson, 1992). According to Davidson (2007), it is better to pay incentive trip to their employees rather than give them more money. Meanwhile, these “all-expenses-paid travel” (Rogers, 2003, p. 52) should be beneficial for the company by motivating the employees and as a consequence make them more productive and in a good mood to achieve the company’s objectives (Dwyer and Mistilis, 1999). During the trip, some additional elements can be included such as an educational element, a conference-type session and team-building activities (Campiranon and Arcodia, 2007). They visit places of interest, usually work-related, or attend prestigious sport events and so forth so as to make the trip memorable (Davidson, 1992).

Montgomery and Strick (1995) cite that a convention is a meeting accompanied with an exhibition of products and services. These events are usually attended by a large number of people (Davidson, 1992). This segment is beneficial for the host economy, in terms of economic repercussions for all the suppliers of the tourism industry. In addition, this segment creates social and cultural benefits to the destination, such as the exchange of ideas, the facilitation of technology transfer and the creation of business contacts (Dwyer and Forsyth, 2008; Dwyer et al., 2000).

Exhibitions are a very important and increasing sector within business tourism. An exhibition is aimed at informing visitors about products and services which are available within an industry. Usually, exhibitions tend to be large events (Davidson, 1992), focused on business-to-business (B2B) relationships (Fenich, 2005). The goal of each exhibitor is to make contracts with new clients. According to Montgomery and Strick (1995), the attendees can compare competitive products and exhibitors can compare their products to those of their competitors. As exhibitions stimulate travel for lots of people, for both exhibitors and visitors, they are part of business tourism (Davidson, 1992; Davidson, 1994 cited in Swarbrooke and Horner, 2001).

In addition, such exhibitions boost transport and accommodation services in the host city and this one reason why so many countries are competing in this market. In recent years, the practice of holding exhibitions alongside conferences has also grown considerably (Rogers, 2003). Exhibitions add value to the event, offering something more than just a conference and it is more useful for business people to visit it (Rogers, 2003). Finally, an exhibition generates revenue which compensate for the cost of the conference (Davidson, 1992).

## **2.5 The Importance of the MICE Industry**

Jago and Deery (2010) cite that irrespective of hard economic times, governments and members of the M.I.C.E. industry still encourage all business sectors across the globe to organize meetings, conferences, tradeshows and other MICE related events. This is important as MICE events actually benefit a wide range of businesses in the cities they are held.

One of the benefits of the MICE industry is the high revenue that comes with the business visitors coming to attend events, conferences, seminars and exhibitions. The service industry is the highest gainer as the visitors spend money on accommodation, meals and transportation. During such events, hotels are usually fully booked, tour companies are fully booked and restaurants increase their supplies to meet the high demands. Visitors also spend money on shopping for local and cultural goods that are not found in their mother countries or places of origin (Cooper et al 2008).

Another benefit is the generation of revenue to the players in the MICE industry. Companies, corporate, organizations and all event organizers spend money on venues, and purchase services from suppliers in the MICE industry (Chon and Weber 2002). Hiring space for events is costly and this is an advantage to the key players in the MICE industry. The demand for event space among organizers leads to competition for the available space which now affects the renting rates. Some venues are usually booked for six months and this is a clear indication of the demand situation for space (Cope 2006).

According to Boniface and Cooper (2005), MICE industry is associated with the creation of employment. During events, the spending generates sales for businesses and keeps people hired. Events need a lot of logistics to organize. One aspect of the organization process is the recruitment of personnel to assist in the facilitation of the event (Buhalis and Laws 2001). People are hired as translators, first aiders, ushers, artistes, facilitators, technical teams, paid and un paid volunteers among others. Such recruitment creates employment and this has a positive impact on the economy (Chon and Weber 2002).

Beech and Chadwick (2006) cites that MICE industry impact tourism on the cities and states hosting the events. According to them, during events, tourism numbers and receipts go up for the destination concerned (a city or state). During events, most schedules allow participants to visit nearest national parks and game reserves, cultural centers, museums, national archives among other tourist attractions. All these visits are paid for and sometimes the charges are higher when

compared to local charges. The proceedings from such visits have a positive impact on the country economy (Cope 2006).

## **2.6 The Role of Innovation in the MICE Industry**

According to a CVB Report (2010), the rise of innovation is turning most social cities in terms of business agglomeration and well being of the society into MICE hot spots. Innovation and use of social networks is affecting destination choices for meeting and MICE industry. Organizers are today focused on destinations that are able to promote themselves online as modern and innovative successfully as well as destinations that are capable of holding what they promise online and offline (CVB 2009).

In his work, Crotts (2008) noted that the use of social network especially face book has greatly impacted the MICE industry. According to him, citizens of countries that show high participation in social sites are the most influenced in travel and social network behavior. The Union of International Associations meeting statistics report indicates that in 2009, the top 10 nations hosting international conventions were USA, Singapore, France, Germany, Japan, Belgium, Netherlands, Austria, Italy, and Spain. The top 10 cities among international conventions were Singapore, Brussels, Paris, Vienna, Geneva, Berlin, Prague, Stockholm, Seoul, and Barcelona (UIA, 2010). As the figures show, a big share of Facebook members comes from the top meeting destinations (CVB 2010).

Innovation has added value to destination places. Added value is being achieved through various things such as (technically) good equipped meeting rooms with possibilities for video – conferences among others (Pearlman 2008). When such equipments are put in a comfortable clear design, it creates a tailor-made brain food for meetings and this makes a difference between on destination place and another. Innovation has made meeting related industries to pamper the meeting participants to activate their full human resource by improving their infrastructures and operational management. This has seen the MICE industries bring out the best possible setting for meetings. In addition, this type of innovation has promoted high economic value that is

generated through the high standards and good climate that destination places offer (Davidson and Rogers 2006).

Innovation has played a major role in the sustainability of MICE industry. In economic uncertain times, Information Communication Technology (ICT) has been used to support the MICE industry in saving time and costs. In addition, technology changes the communication channels. Innovation has made stake holders in the MICE industry to understand the need to provide ICT as well as communicating with their clients through new media channels in order to stay connected.

Trends in research and development in the MICE industry show a growing importance of ICT in the coming years. The most important meeting destinations are also the leaders in investing part of their GDP into technology. This can be derived from a world bank statistics that show that the expenditures in research and development in the field of science and technology are lead by the OECD members USA, Sweden, Finland, Canada, Germany, France and United Kingdom with expenditures of up to 4,86% of their GDP during 2007 and 2011 (worldbank.org, 2011). Such countries are leaders in the MICE industry.

Innovation has changed the way people choose destination places. People go where innovation is made possible and people will follow and visit these sites. Nearly 40% of travelers choose their destination upon recommendation of friends and relatives (TCI research, 2011).

Innovation has led to creation of more jobs in the MICE industry. For proper adoption and implementation of innovation, the companies have created jobs like meeting and ICT professionals, information communication analysts and new media assistants. The creation of professional online profiles in social networks and on company homepages has become a must for companies working in the MICE industry (Eurexpo 2008).



## **2.7 Challenges to Innovation in the MICE industry**

The MICE industry is currently faced by a number of challenges. Some of the challenges are political and socioeconomic instability in a number of participating countries, terrorism, lack of standard infrastructure especially in developing countries, government regulations among others (Fenich 2005). This study will focus on the challenges to innovation development. One of the challenges to innovation in the MICE industry is the high cost associated with technology (Forsyth 1999). Most of the innovations in the MICE industry are technology based and they require equipment, systems and applications that are very expensive and impact a lot on the expenditure budget of the organization (Finn et al 200).

Fyall et al (2001) cites that the fear to embrace proposed innovations by organizations in the MICE industry is a challenge to the industry. Many organizations in the MICE industry are afraid to embrace innovation due to the fear of losing revenue incase the implementation fails or does not pick up. Only few organizations are ready to take the risk. Lack of infrastructure is seen as another challenge to innovation adoption. Not all organizations in the MICE industry have enough infrastructures to support innovation implementations. For instance, having a helipad in the organizations premises may allow flights from the airports direct to the venue (Ladkin 2002). This is an innovation which cannot be achieved by many stake holders in the MICE industry since only few organizations have helipads. In Kenya, only the Kenyatta International Convention Centre (KICC) and Samper Business Park have such a facility.

Another challenge is the utilization of the innovation by the customers. Today, many organizations in the MICE industry have adopted social media as a way of interacting with their customers. The social media is internet based and not all the customers may access the internet. This can be attributed to factors like high internet of data charges and lack of access to a laptop or a desk top computer due to the cost of purchasing (KPMG 2008).

Culture can be a limiting factor in innovation adoption within the MICE industry (Kozak 2004). Culture varies from one community to another, from state to state and from region to region.

What is acceptable in one region may be a taboo in another region. Innovators within the MICE industry face a challenge when implementing innovation process since the innovation may not be welcome by the target beneficiaries (Jennings 2001). Acquiring, retaining and developing talent as well as embracing diversity can be a challenge to innovation within the MICE industry (Gartrell 1994).

## **2.8 Current Trends in the MICE Industry**

Industry predictions indicate that the MICE sector is poised for vigorous growth. Meeting demand is at its peak since 2008 because of a growing demand across all sectors, telecommunications, education and insurance, healthcare, energy and many more. Another trend is the growing size of meeting in that demand for meetings has resulted in hotels giving preference to larger meetings capable of paying more. Hotels are not as flexible as before when it comes to walk-in bookings and last minute bookings are not possible anymore. Good venues have to be booked well in advance. The meeting space is also changing and the traditional 'boardroom-style' space is being replaced by an innovative approach where huge outdoor meeting spaces, smaller cosy nooks for limited gatherings and different kinds of seating are being requested. The focus is on creating conducive settings and it is no more a surprising sight to see delegates assembled around a campfire or at a bar.

Studies show that the number one trend likely to influence the MICE industry is that of budgets, which are continually being scrutinized, with businesses persistently looking for value from their events. Another trend is that the number of tourist firms, hotels, airlines, road transport and transfer services, tour companies, and other related and supporting companies, whose main focus is services in the scope of business tourism, is growing worldwide with the main objective of providing the most professional and comfortable conditions and surroundings for the participants. Another trend is the high demand for ICT. Meetings and events are getting more tech-savvy than ever before. Apps downloaded on smart phones and iPads, easily accessible mobile sites and meeting-dedicated Facebook pages are assisting planners with the registration process, informing them of programmes and offering an easier method to gather feedback from

participants after the events. Note taking through iPads, LCD projectors and the latest audio-visual technological tools – events have been totally transformed by technology. MICE buyers increasingly value technologies such as wireless internet access & networking, audio-visual services, language interpretation and attendee feedback technologies.

Another trend is the comeback of teambuilding activities. Venues, which are offering creative options for teambuilding activities are in demand. For instance venues with options for holding cookery classes, beach-volleyball or golf lessons are attracting more meeting planners. Competition is another trend due to the improvement in the economy. This brings with it fierce competition and no company can afford to lag behind in the race for supremacy. Training budgets are being revamped to ensure best-trained sales and management personnel for survival in the competitive global economy.

## **2.9 Remedies to Innovation Dynamics**

The above challenges if addressed well can ensure a smooth adoption of innovation in the MICE industry. Stakeholders in the MICE industry need to involve all ages in their daily operations to tap the innovative ideas that each age group can bring. Talent search is important for innovation and players in this industry should organize such events to identify any new ideas that can benefit the industry (Goeldner 2008). Issues of culture need to be addressed from one region to another and stake holders in the industry should ensure that their innovation strategies are capable of accommodating each culture (Fenich 2005). The stakeholders need to collaborate with their respective governments to ensure that government policies are comfortable to the industry (Holloway 2006).

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter describes the methods that were used to carry out the research. It entails research design, population, and the entire outline for the data collection, measurements and methods of data analysis that were used.

### **3.2 Research Design**

This refers to the methods and procedures followed in conducting the study. For this study, the research design was a case study due to the fact that the unit of analysis was one organization. A case study allows an investigation to retain the holistic and meaningful characteristics of real life events. The research design is a method of study in depth rather than breadth and places more emphasis on the full analysis of a limited number of events or conditions and other interrelations. Primary data collected from such a study is more reliable and up to date.

### **3.3 Data Collection**

Primary data was used for this study and it entailed the use of an interview guide. This allowed the researcher to get first hand information from the respondents. The researcher interviewed 3 top management personnel, 4 middle management staff and 1 junior staff at KICC making a total of eight (8) respondents.

### **3.4 Data Analysis**

This included the process of packaging the collected information, putting it in order and structuring main components in a way that the findings are easily and effectively communicated. The researcher perused completed interview guides and document analysis recording sheets. Before processing the responses, the completed interview guide was edited for completeness and consistency. The study generated qualitative data hence content analysis was used to analyze the

data. According to Cooper and Schindler (2003), content analysis is a technique for making inferences by systematically and objectively identifying specified characteristics of messages and using the same to relate trends. The data obtained was compared with existing literature in order to establish areas of agreement and disagreement.

## **CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND INTERPRETATIONS**

### **4.1 Introduction**

This chapter presents the findings and results of the study in the order of the research objectives. The study was aimed at establishing the role of innovation and service marketing in the MICE industry. The analysis was based on the comments mentioned by the interviewed staff. The analysis was grouped according to the frequency on how related texts or comments were mentioned by the interviewed staff.

### **4.2 Background Information of the Respondents**

The study sought responses from senior management to middle management staff at The Kenyatta International Convention centre. They included General Manager-Marketing & Sales whose role is to formulate marketing strategies and programmes aimed at positioning The Centre as a global centre of excellence in MICE. The Sales Manager was another respondent, and this role is responsible in ensuring that The Centre maximizes returns to its stakeholders by aggressively selling the MICE components of the Centre to its varied clients. The Research and Product Development Manager was also another respondent and the role is tasked with new product development as well conducting market research for The Centre.

The other middle level managers included key account managers as well as customer service executives who are responsible in ensuring that whatever is promised to the client is equally delivered in the most satisfying manner.

#### **Table 4.2.1: Years of work at KICC**

The study sought to establish the number of years the respondents had worked at KICC.

<b>Duration</b>	<b>Frequency</b>	<b>Percentage</b>
Below one year	2	25
Between 1 and 2 years	0	0
Between 3 and 5 years	0	0
Over 5 years	6	75
Total	8	100

Source-Researcher (2013)

Table 4.1 shows that majority of the staff who were interviewed have worked at KICC for over 5 years (75%). Only 25% of the interviewed staff indicated that they have worked in KICC for less than one year. With the majority of the respondents having worked for over five years, the validity of the responses received was increased owing to the fact that they had vast experience in the industry.

#### **4.2.2 Position in KICC**

The study sought to establish the respondent's position at KICC.

**Table 4.2.2: Position in KICC**

<b>Position</b>	<b>Frequency</b>	<b>Percentage</b>
Top Management	3	37
Middle level	4	50
Junior staff	1	13
Total	8	100

Source: Researcher (2013)

Table 4.2 shows that majority of the interviewed staff were in middle level management (50%). Those in top management and junior level formed 37% and 13% respectively. This shows that about 87% of the interviewed were involved in the management process hence their experience in the industry was key to this study.

### 4.2.3 Current job status at KICC

The study sought to establish the current job status of the respondents.

**Table 4.2.3: Current job status at KICC**

<b>Job status</b>	<b>Frequency</b>	<b>Percentage</b>
Full time	8	100
Contract	0	0
Intern	0	0
Total	8	100

Source: Researcher (2013)

Table 4.3 shows that all the interviewed staff were full time employees of KICC.

### 4.3: Importance of MICE Industry

The study sought to find out the importance of the MICE industry. The majority of the respondents indicated that MICE industry is a major source of revenue for any country. Most of them indicated that it provides employment for many people while others said that it helps in the growth of GDP for the country. Other than those highlighted above, others felt that it helps in marketing a destination.

### 4.4. Main Activities held at KICC

The study sought to establish the main activities that are held at KICC. Majority of the respondents indicated that KICC has been a venue for Meetings and Conferences. Others cited Exhibitions and Outdoor events as activities usually held at The Centre. A good number of the respondents cited workshops and seminars as activities held at KICC. Still, others cited banquet events and concerts as activities held at KICC.



#### **4.5 Roles of Innovation and Service Marketing in the MICE industry**

The study sought to establish the respondents understanding of the roles of innovation and service marketing in the MICE industry. A higher proportion of the respondents indicated that one major role of innovation and service marketing is to ensure the sustainability of the MICE industry and creating employment. Others felt that innovation and service marketing plays a role in adding value to a destination, providing for inflow of business into the country and also helping in revenue management. Some respondents felt that innovation and service marketing plays a role in the changing trend in the market, ensuring customers are satisfied by renewing the service experience every time. Others felt that innovation and service marketing plays a role in ensuring repeat business as well as retaining the existing ones

#### **4.6 Challenges Faced by KICC In the Process of Innovation Adoption**

The study sought to establish the respondents understanding of the challenges faced by KICC in the process of innovation adoption. Inadequate funds, bureaucracy and resistance to change were highlighted as some of the major challenges encountered in the process of innovation adoption. Others challenges that were cited included volatility of the MICE industry and under utilization of some facilities. The other challenges cited also included the fact that being an old structure, there was little that had been done in terms of modernizing it. Lack of enthusiasm amongst the staff to embrace innovative ideas as well as lack of proper knowledge on the organisation's mandate was also cited as a challenge to the process of innovation adoption.

#### **4.7 Strategies for Enhancing Adoption of Innovation Within the MICE Industry**

The study sought to establish strategies that can be enhanced to ensure adoption of innovation within the mice industry. Use of technology, capacity building among staff as well as integrating the social media strategies to engage customers and suppliers was mentioned as ways of enhancing innovation adoption within The Centre. Constant update with emerging trends in the MICE industry was cited as one way of innovation triggers. The other way was identified as us of green friendly products and strategies.

## **CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS**

### **5.1 Introduction**

This chapter presents the summary of findings of the research, discusses the results, draws conclusions and makes recommendations for future adoption of innovation in the MICE industry.

### **5.2 Summary and Discussion of the Findings**

This sections provides a summary of the importance of the MICE industry, activities held at the KICC, challenges of innovation adoption as well as the strategies for enhancing adoption of innovation and service marketing at KICC

#### **5.2.1 Importance of MICE Industry**

The study has demonstrated that one of the importances of MICE industry is the creation of employment. This attribute matches Boniface and Cooper (2005) literature which documents that MICE industry is associated with the creation of employment. During events, the spending generates sales for businesses and keeps people hired. Events need a lot of logistics to organize. Same attribute was echoed by Buhalis and Laws (2001) when they documented that one aspect of the organization process in MICE industry is the recruitment of personnel to assist in the facilitation of the event. People are hired as translators, first aiders, ushers, artistes, facilitators, and technical teams, paid and unpaid volunteers among others. Such recruitment creates employment and this has a positive impact on the economy.

Another importance of MICE industry that came out in the study is the generation of revenue. This matches Chon and Weber (2002) literature which documents that one of the benefits of MICE industry is the generation of revenue to the players in the MICE industry. Companies,

corporates, organizations and all event organizers spend money on venues, and purchase services from suppliers in the MICE industry. Hiring space for events is costly and this is an advantage to the key players in the MICE industry. The demand for event space among organizers leads to competition for the available space which now affects the renting rates. The study found out that spaces at KICC are usually booked over a year and above in advance and this is a clear indication of the demand situation for space and the revenue associated with it.

Other importance of MICE industry that came out of the study is the marketing of destinations. Organizers and players in other sectors use the MICE industry to advertise their services and products during seminars, conferences and exhibitions. Another importance is the facilitation on the growth of GDP. This service industry is the highest gainer as the visitors spend money on accommodation, meals and transportation. During such events, hotels are usually fully booked, tour companies are fully booked and restaurants increase their supplies to meet the high demands. Visitors also spend money on shopping for local and cultural goods that are not found in their mother countries or places of origin. The overall contribution of MICE to the economy of any country is therefore immense.

### **5.2.2 Main Activities held at KICC**

The study found out that the main activities carried out at KICC are Meetings, conferences, exhibitions, workshops, concerts, outdoor activities and seminars. This matches Lovelock and Wright (1999) literature that documents that the mice industry is composed of meetings, incentives, conferences and exhibitions. Since its inception, KICC has hosted several conferences, seminars, exhibitions among others. This study introduces two new activities in the MICE industry that have not been documented in previous literature: concerts and outdoor activities.

### **5.2.3 Roles of Innovation and Service Marketing in the MICE Industry**

The study found out that some of the roles of innovation and service marketing in the MICE industry is the creation of employment in the MICE industry and the sustainability of MICE

industries. This matches Dwyer and Mistilis (1999) which documents that innovation has played a major role in the sustainability of MICE industry. In economic uncertain times, Information Communication Technology (ICT) has been used to support the MICE industry in saving time and costs. In addition, technology changes the communication channels. Innovation has made stake holders in the MICE industry to understand the need to provide ICT as well as communicating with their clients through new media channels in order to stay connected.

Young innovators with good projects for implementations are getting employed in the MICE industry to ensure a smooth implementation of the projects. Innovation has led to creation of more jobs in the MICE industry. For proper adoption and implementation of innovation, the companies have created jobs like meetings and ICT professionals, information communication analysts and new media assistants. The creation of professional online profiles in social networks and on company homepages has become a must for companies working in the MICE industry.

Another importance of innovation in the MICE industry that came out of the study is the addition of value to destination areas. This matches Pearlman (2008) literature that documents that innovation has added value to destination places. This is achieved through various things such as (technically) good equipped meeting rooms with possibilities for video –conferences among others. When such equipments are put in a comfortable clear design, it creates a tailor-made brain food for meetings and this makes a difference between one destination place and another. Innovation has made meetings related industries to pamper the meetings participants to activate their full human resource by improving their infrastructures and operational management.

Another role of innovation in the MICE industry that came out in the study is that it ensures repeat clients and retains the existing ones. Innovation has changed the way people choose destination places. Today, people are going to places where innovation is made possible and people will follow and visit these sites. Travelers are even choosing their destination upon recommendation of friends and relatives therefore a destination place that has embraced innovation is likely to retain and attract new clients. This can be linked with another role that came out of the study that innovation enhances customer satisfaction thus positive improvement.

Another role is the adoption of new technology. This matches Dupuy (2005) literature that documents that MICE industries are investing a lot on technology and the results are already evident. The most important meetings destinations are also the leaders in investing part of their GDP into technology. Innovation has led players in the MICE industry to invest heavily in technology to ensure that they concentrate on the future market drivers in their destination. Another role that came out of this study is that innovation in the MICE industry makes product tangible by making it new every time hence ensuring client satisfaction.

#### **5.2.4 Challenges faced by KICC in the Process of Innovation Adoption**

From the study, one of the challenges faced by KICC in the process of innovation adoption is the lack of adequate funds. Lack of funds can be linked to the inability of the industry to acquire standard infrastructures to ensure effective adoption of innovation. This can be linked to Ladkin (2002) literature that documents that the lack of infrastructure is a challenge to innovation adoption and that not all organizations in the MICE industry have enough infrastructures to support innovation implementations. This challenge is common in developing countries and at times the industry has to rely on funding. For the case of KICC, study found that it is indeed an old structure whose equipment, technology and meeting rooms suffer obsolescence and urgent modernization is required. According to some of the respondents, this has affected the operation and business of the organisation.

Another challenge that came out in this study is bureaucracy in the industry. Most of the players in the industry have complex structures that involve multi stages during an approval of projects. This delays the timeframe of any innovation implementation hence the innovation may end up not meeting its objective. Most innovative proposals are kept in the shelves and either approved halfway or no approval at all. This bureaucracy is made worse when some of the members of the organisation are resistant to change. Some leaders are reluctant to accept change due to various reasons. Some of the reasons may be fear to lose their jobs when a new structure or innovation is adopted. This matches Fyall (2001) literature that the fear to embrace proposed innovations by organizations in the MICE industry is a challenge to the industry. Many organizations in the

MICE industry are afraid to embrace innovation due to the fear of losing revenue incase the implementation fails or does not pick up. Only few organizations are ready to take the risk. Another challenge that came out in the study and can be linked to resistance to change is the lack of enthusiasm from the staff to embrace the innovative ideas.

### **5.2.5 Strategies for Enhancing Adoption of Innovation and Service Marketing at KICC**

The study sought to identify strategies that can be adopted to ensure a smooth adoption of innovation and service marketing in the MICE industry. One of the strategies that came out in this study is putting emphasis on the emerging trends in the industry. Another strategy that came out of the study is the integration of social media strategies to engage customer's suppliers and KICC staff. Other strategies are use of green friendly products and practices, sensitizing the public and capacity building among the staff.

### **5.3 Conclusions**

Innovations play a key role in the service industry. The adoption of technology and modern channels of communication such as social media play an important part in promoting service business as they increase awareness, improve and maintain a high level of customer service, while communicating directly with target audiences. Innovation has facilitated service promotional and marketing efforts and today organizers in the industry do one-to-one meetings, focused events, direct mail communications, offline and online campaigns with customers. The mice industry is composed of Meetings, incentives, conferences and exhibitions. This industry has a number of benefits to all the stake holders involved. Participating countries have grown their economy through foreign exchange, creation of employment, utilization of accommodation and recreation facilities by delegates attending the events among other trickle down effects of the MICE industry.

The findings from this study agree with what is in the existing literature and the study has come out with new findings. From the study, the importance of MICE industry were found out to be

facilitating the growth of GDP, provision of employment, multiplier effect, source of revenue and the marketing of destinations. The main activities carried out at KICC are meetings, conferences, exhibitions, workshops, concerts, outdoor activities and seminars.

From the study, innovation and service marketing helps in revenue management, makes product tangible by making it new every time, ensures repeat clients and retains the existing ones, monitors the changing trend within the market, adoption of new technology, enhancement of customer satisfaction, sustainability of MICE industries, constant inflow of business and the addition of value to destination areas as well as creation of employment in the MICE industry.

The challenges facing KICC in the adoption of innovation and service marketing are inadequate funds, lack of enthusiasm from the staff to embrace the innovative ideas, being an old structure, not so much change in terms of refurbishment of rooms, bureaucracy, volatility of tourism industry, under utilization of some facilities and government interference, lack of proper knowledge of the facilities mandate of both the public and staff and resistance to change.

This study therefore, concludes that that innovation and service marketing has played an important role in the MICE industry.

#### **5.4 Recommendations for Policy and Theory**

Industry predictions indicate that the MICE sector is poised for vigorous growth. The demand for meetings is on the rise and though companies are not splurging, luxury venues are not being ruled out either. This means that the key players in the industry should come up with strategies that will help them stand ahead of their competitors. This study has come up with recommendations to ensure that players in the MICE industry adopt innovation successfully for their development. Innovation brings with it fierce competition in the MICE industry and no company can afford to lag behind in the race for supremacy. Training budgets need to be revamped to ensure best-trained sales and management personnel for survival in the competitive global economy.

KICC will need to look for alternative ways of sourcing funds to ensure that there is enough resources to implement innovation projects and service marketing initiatives. Bureaucracy need to be minimized and the organizational structure reexamined to ensure a smooth flow of processes and timely approval of innovation proposals. The management team should be trained on the importance of change management especially on the roles of innovation and the advantages that are attributed to it to reduce incidents of resistance to change.

### **5.5 Recommendation for Further Research**

From the findings of this study, it is suggested that further research be carried out on the interrelationship between innovation and other forms of business sustainability within the MICE industry. This is because innovation does not work on its own to facilitate business growth. From the study, it was revealed that innovation has played a great role in the MICE industry, hence, if the interrelationship is fully focused on, this will go an extra mile.



## REFERENCES

- Anthony, D., Johnson, W., Sinfield, V., Altman, J. (2008). *Innovator's Guide to Growth - Putting Disruptive Innovation to Work*. Harvard Business School Press. ISBN 978-1-59139-846-2.
- Beech, J. and Chadwick, S. (2006). *The Business of Tourism Management*. New York: Prentice Hall.
- Boniface, B. and Cooper, C. (2005). *Worldwide Destinations the Geography of Travel and Tourism*. 4th ed. Burlington: Butterworth Heinemann.
- Buhalis, D. (2003). *eTourism: Information Technology for Strategic Tourism Management*. Harlow: Pearson Education Limited.
- Buhalis, D. and Laws, E. (2001). *Tourism Distribution Channels: Practices, Issues and Transformations*. London: Continuum.
- Campiranon, K. and Arcodia, C. (2007). Market Segmentation in Time of Crisis: A Case Study of the MICE Sector in Thailand. *Journal of Travel and Tourism Marketing*, 23 (2-4), 151-161.
- Chon, K. and Weber, K. (2002). *Convention Tourism: International Research and Industry Perspectives*. London: The Haworth Hospitality Press.
- Christensen, Clayton M., Baumann, Heiner, Ruggles, Rudy, and Sadtler, Thomas M. (2006). Disruptive Innovation for Social Change, *Harvard Business Review*, December 2006.
- Cooper, C., Fletcher, J., Fyall, A., Gilbert, D. and Wanhill, S. (2008). *Tourism Principles and Practice*. 4th ed. Harlow: Financial Times Prentice Hall.
- Cope, B. (2006). *Marketing in tourism*. In: Beech, J. and Chadwick, S., eds. *The Business of Tourism Management*. New York: Prentice Hall, 115-143.
- Crotts, J.C. (2008). Managing Destination Marketing Organisations: The Tasks, Roles and Responsibilities of the Convention and Visitor Executive. *Journal of Travel and Tourism Marketing*, 25 (2), 218-219.
- Crouch, G.I. and Weber, K. (2002). *Marketing of Convention Tourism*. In: Chon, K. and Weber, K., eds. *Convention Tourism: International Research and Industry Perspectives*. Binghamton, N.Y.: Haworth, 57-77.
- CVB (A), (2009). *Presentation of Lyon as a MICE Destination*. Lyon: CVB

- Danneels, E. (2004). Disruptive Technology Reconsidered: A Critique and Research Agenda. *Journal of Product Innovation Management* 21 (4): 246–258.
- Davidson, R. and Rogers, T. (2006). *Marketing destinations and venues for conferences, conventions and business events*. Oxford: Butterworth-Heinemann.
- Dupuy, M. (2005). *Business Tourism, a guide to understand, organise and be successful for: incentive travel, seminar, congress, convention, mission, public relations, conferences, symposium, cruise*. Paris: Technip.
- Dwyer, L. and Mistilis, N. (1999). Tourism Gateways and Regional Economies: the Distributional Impacts of MICE. *International Journal of Tourism Research*, 1 (6), 441-457.
- Dwyer, L., Forsyth, P. (2008). Economic measures of tourism yield: what markets to target? *International Journal of Tourism Research*, 10 (2), 155-168.
- Ejarque, J. (2005). *Successful Tourism Destinations: Design, Development, Management and Marketing*. Madrid: Pirámide.
- Eurexpo, (2008). *The ambition of Eurexpo for the future years*. Lyon: Eurexpo
- Fenich, G. (2005). *Meetings, Expositions, Events, and Conventions. An introduction to the industry*. Upper Saddle River, N.J.: Pearson Prentice Hall.
- Finn, M., Elliott-White, M. and Walton, M. (2000). *Tourism and Leisure Research Methods: data collection, analysis, and interpretation*. Harlow: Longman.
- Forsyth, P. (1999). *Maximizing Hospitality Sales: How to Sell Hotels, Venues and Conference Centres*. London: Cassell.
- Fyall, A., Leask, A. and Garrod, B. (2001). Scottish Visitor Attractions: A Collaborative Future? *International Journal of Tourism Research*, 3, 211-228.
- Gartrell, R.B. (1994). *Destination Marketing for Convention and Visitor Bureaus*. 2nd ed. Dubuque: Kendall/Hunt Publishing Co.
- Goeldner, C.R. (2008). *Tourism: Principles, Practices, Philosophies*. 11th ed. Hoboken, N.J.: Wiley.
- Holloway, J.C. (2006). *The Business of Tourism*. 7th ed. Harlow: Pearson Education.
- Ijuri, Y., Kuhn, R. (1988) *New Directions in Creative and Innovative Management: Bridging Theory and Practice*, Ballinger Publishing.

- Jago, L., Deery, M. (2010) *Delivering Innovation, Knowledge and Performance: the Role of Business Events*.
- Jennings, G. (2001). *Tourism Research*. Milton, Qld.: Wiley Australia.
- Kamande W.W. (2011). *Competitive Strategies Adopted by Mobile Phone Companies in Kenya*. Unpublished MBA Project, School of Business, University of Nairobi.
- Kinyua S.W. (2011). *Competitive Strategies Adopted by Small Supermarkets in Nairobi*, Unpublished MBA Project, School of Business, University of Nairobi.
- Kozak, M. (2004). *Destination Benchmarking: Concepts, Practices and Operations*. Wallingford: CABI Publishing
- KPMG consulting company, (2006). *Best practices in MICE tourism*. Paris: KPMG
- Ladkin, A. (2002). *Research Issues and Challenges for the Conference Industry*. Binghamton, N.Y.: Haworth.
- Middleton, V., and Clarke, J. (2001). *Marketing in Travel and Tourism*. 3th ed. Oxford: Butterworth-Heinemann.
- Montgomery, R., Strick, S. (1995). *Meetings, Conventions and Expositions*. New York: John Wiley and Sons.
- Oori M. (2011). *Strategies employed by commercial banks in Kenya to build competitive advantage*. Unpublished MBA Project, School of Business, University of Nairobi.
- Page, S.J. and Connell, J. (2006). *Tourism: A Modern Synthesis*. 2nd ed. London: Thomson Learning.
- Pearlman, D. (2008). Key Performance Indicators of the MICE Industry and the Top 25 United States and Canadian CVBs. *Journal of Convention and Event Tourism*, 9 (2), 95-118.
- Rogers, T. (2009). *Conferences and Conventions – a Global Industry*. Oxford: Butterworth-Heinemann.
- Swarbrooke, J., Horner, S. (2001). *Business Travel and Tourism*. Oxford: Butterworth Heinemann.

## APPENDIX ONE: LETTER OF INTRODUCTION

Hello

My Name is Elijah Korir, Head of Customer Service at The Kenyatta International Convention Centre (KICC). I am an MBA student of University of Nairobi currently pursuing a Research Project entitled **“The Role of Service Marketing and Innovation in the Development of MICE Industry- Case Study of The Kenyatta International Convention Centre”**.

As you are aware KICC has played host to quite a number of activities in the past. This has included Meetings, International and Regional Conferences, Exhibitions and other Events. I am in the process of writing the project and collecting data for my Research project. I am very interested in establishing the role that service marketing and Innovation has played in the development of this Industry.

The purpose of this letter is to beg for your indulgence as I conduct formal interview to ascertain the same. Feel free to ask any question that you may have about the project.;

I will be honoured for your kind assistance.

Be blessed.

Elijah Cheruiyot Korir

## APPENDIX TWO: INTERVIEW GUIDE

### ROLE OF SERVICE MARKETING AND INNOVATION IN THE DEVELOPMENT OF MICE INDUSTRY

#### CASE STUDY OF KICC

My name is Elijah Korir conducting research on the above topic. This research is meant for academic purpose. Responses will be treated with utmost confidentiality.

#### Section A: General Information

1. Kindly select the years you have worked at KICC

Below 1 year

Between 1- 2 years

Between 3 - 5 years

Over 5years

2. Kindly select your position in the organisation?

Top Management

Middle Level

Junior Staff

3. Kindly select your current job status

Full time employee

Temporary Assignment

Intern

**Section B: Importance of MICE industry**

1. What would you consider as the importance of the MICE industry?

**Section C: Components of MICE Industry**

2. What are the activities that make use of KICC as a venue?

**Section D: Roles of Innovation in Service Marketing in the MICE industry**

3. What would you say is the role of innovation and service marketing in the MICE industry?

**Section E: Challenges Facing the MICE industry**

4. Kindly highlight the challenges that are faced by KICC in the process of innovation adoption?

**Section F: Strategies for Adoption of Innovation in the MICE industry**

5. What are the strategies that you would consider important in enhancing the adoption of innovation within the mice industry

Thank you for participating.