

Famils, more sporting events as MICE takes a leap forward in Malaysia

MADAM Dalilah Ahmad was appointed deputy director general of Tourism for Malaysia in March this year. A graduate of the University Malaya, she joined Tourist Development Corporation (TDC), as it was called at the time, in 1976 as assistant director in the Research and Training Division. Madam Dalilah then was transferred to the Marketing and Enforcement Division before being promoted to the post of director of finance and administration where she was instrumental in opening Tourism Malaysia's offices in Paris, Vancouver and Perth. Other roles included the department of Enforcement and Facilitation, Special Events and Domestic Promotions.

Madam Dalilah has spearheaded many 'firsts' in her career with Tourism Malaysia. She played a pivotal role in creating several pioneering projects including the Flora Fest and Floral Parade, Pasta Malaysia, Shopping Carnival the Cuti-Cuti Malaysia campaign and the Citrawarna celebrations. She also was influential in setting up the Visitor Service Centres in KLIA and KL Sentral. In November 2002, she was appointed to set up the newly created Communications Division and handled the major crises of SARS and the impact of last year's tsunami in the regions. Madam Dalilah visited Australia in June as head of the Tourism Sales Mission. MICE Asia-Pacific spoke to her on her Perth leg of the national tour.



- MADAM DALILAH AHMAD -

What priority is given to MICE in Tourism Malaysia's seven year plan?

MADAM DALILAH AHMAD: MICE is a very important market for us to tap. When we were hit with the Asia financial crisis of 1997/98 we were very concerned about maintaining tourist arrivals. Now that tourism arrivals are back on track — in 2004 we recorded 15.7 million visitor arrivals — we're looking at improving the yield by developing niche markets. MICE is a proven market. In 2004 we welcomed 675,699 specific MICE travellers compared to the 550,741 in 2003. We expect the opening this month of additional facilities with the new Convention Centre in Kuala Lumpur to add further impetus to our efforts. To date we have hosted some major MICE events including the 13th Summit of the Non-Aligned Movement (NAM) 1,500 delegates; the 10th Organization of Islamic Conference (OIC) Summit attended by 3000 participants; the inaugural meeting of ASEAN and

ASEAN+3 Ministers Responsible for Culture & Arts; the biennial Langkawi International Maritime & Aerospace (LIMA) Exhibition and PATA TRAVEL MART 2005 in September. The Global Meet Malaysia held annually aims to strengthen the brand positioning of Malaysia as a MICE destination choice in the region. Selected buyers worldwide get first-hand information and experience the sights and attractions of the country to enable them to market Malaysia more effectively.

Which markets are you targeting?

Geographically, Malaysia is well positioned to attract travellers from around the world. We also generate a lot of inter-Asia traffic and Australia is a top performer. We have acknowledged the importance of this market with the opening of a new Tourism Malaysia office in Melbourne. Staff have already been appointed with a brief to focus on developing MICE business for Malaysia.

In July we will welcome 1500 Flight Centre high achievers who are coming to Malaysia as part of a company incentive. By visiting our country and experiencing for themselves the attractions, the culture and the bargain shopping available we expect that message will have positive results further down the track.

West Asia, China and India are very important markets for Malaysia. Our target is one million arrivals from China this year. Both Malaysia Airlines and Air India have significantly increased seat capacity between India and Malaysia and new airlines Jet Airways and Air Sahara are expected to have a positive effect on tourist arrivals from India this year.

Malaysia has had a lot of success with Formula One motor car racing. Are you looking at sponsoring other major sporting events?

Yes. We will have the Japan GT event from 25-26 June and are actively talking to major sporting event organisers around the world. We have excellent facilities and world-class venues to stage sporting events.

Familiarisation tours are one of the best way to sell a destination. Are you planning to get more PCOs and incentive houses up to Malaysia over the next 12 months?

Of course. This is an ongoing market objective that has been in place since we launched the Tourism Malaysia branding in 2000. We operate a very successful Mega-fam each year which brings in key destination supporters of Malaysia product. Since it was introduced in 2000 the program has seen 30,020 agents, tour operators, corporate and media hosted to my country. We are also host country for the PATA Mart Travel in September. Earlier this year we hosted the ASEAN Tourism Forum in Langkawi which was officially acknowledged as a very well organised event.

We expect MICE travellers to continue to improve, especially with the opening of the Melbourne office and the new convention centre in Kuala Lumpur.

What are you doing to capture the niche tourism segment?

Health tourism is showing good growth. Malaysia is fast emerging as a value-for-money destination with world-class health and medical facilities. In 2004 a total of 174,189 foreign patients received medical treatment in the country generating foreign exchange earnings of RM104.9 million (US\$27.61 million). We plan to further develop the sector.

You have the best shopping prices in Asia, yet it seems difficult to get that message over?

We are aggressively trying to promote shopping. During my tour of Australia I have discovered shopping is a key driver in determining holiday choice. Shopping expenditure of tourist arrivals in 2004 remained the second largest expenditure component at 22.38 per cent of total expenditure and is in line with the government's efforts to promote Malaysia as a shopping paradise. The Malaysia Mega Sale Carnival held in August each year is our primary event promoting shopping. Major shopping centres in Kuala Lumpur offer a wide range of goods at heavily discounted prices making Malaysia an irresistible draw for travellers.



Besides KL what other regions are you promoting for MICE?

Penang and Langkawi both have excellent MICE facilities and will feature prominently in our marketing campaigns and promotions. Both also are ideal destinations for pre and post conference touring. Sabah and Sarawak also feature strongly particularly for the incentives market.

Malaysia has the largest promotion budget in Asia. Have you got the desired returns for the investment?

The government of Malaysia recognises the value of tourism to my country and provides appropriate funding including a generous promotion budget. Other ASEAN destinations' budgets have been increased in recent years both to recognise the value of tourism to their economies and also to combat some downturns brought about by the SARS outbreak and negative global events. Tourism Malaysia does not have the highest promotional budget but it is relative to the returns we generate from tourism. Tourism is a major export earner for my country. Tourism is currently the second largest foreign exchange earner and employs a significant number of the country's total work force. Following the turmoil of the Asian financial crisis of 1997/98, tourist arrivals were at their lowest at 5.5 million. In 2004 we recovered sharply to record 15.7 million tourist arrivals. Tourist receipts were estimated at RM29.2 billion (US\$7.68 billion) in 2004. It also must be realized that whilst Malaysia was not affected by the SARS outbreak directly, indirectly the whole region suffered. We had to increase spending to combat the perception that SARS was a problem. In reality we had no home-grown incidence of SARS.

Do you find it difficult to attract MICE from Australia?

No. Not really. MICE is a developing market for us. We see huge potential. MICE travellers spend more than leisure travellers in both room nights and on food and beverage. Average stay by Australia originating travellers was 8.5 nights in 2004 this year it is on track for an average of 9.5 nights. Currently 80 per cent of all visitor arrivals from Australia are leisure travellers. In 2003 MICE specific travellers from Australia were 21,538. In 2004 it increased to 22,969 and we expect that trend to continue and improve sharply especially with the opening of the Melbourne office and the new convention centre in Kuala Lumpur. We have plenty of good accommodation; currently we have around 151,135 rooms in more than 2224 hotels.