

Module Title: MICE

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Lecture 9: MICE Industry Logistics



The ABCs Of Import Logistics (2023), <https://cdn-clhad.nitrocdn.com/GOAuDGguPvwwPqqtFKGAKmCwobFDHcse/assets/images/optimized/rev-7baf115/amertranslogistics.com/wp-content/uploads/2022/06/Import-Export-Logistics.jpeg>



Achieve Global Safari (2022), <https://www.achieveglobalsafaris.com/wp-content/uploads/2019/10/Kigali-International-Airport-804x450.jpg>

Logistics and Transportations

- ❑ **Logistics** can be defined as *management* of the flow of goods or people from a point of origin to a point of destination
- ❑ This flow is managed while taking into consideration two factors - time and cost

- ❑ ***Transportation*** is simply a movement of people or goods from one location to another
- ❑ There are three main components in transportation, ***infrastructure, vehicles and operations***
- ❑ Transport infrastructure is a fixed installation required for transportations
- ❑ Vehicles are instruments that utilize transport infrastructures
- ❑ Operations are how these vehicles operate

Modes of Transportation

- ❑ Choosing a mode of transportation has become more complicated and requiring effective planning
- ❑ The three main modes of transportation, *air, land and sea* each have advantages and disadvantages making it impossible to point out which one is the best

- **Air Transport**

- Considering time as the most crucial factor, air transport will definitely be the most effective mode of transport in transporting people and items from one place to another

- There are two main air transportation usages, passengers and freight
- Most commercial airlines service passengers who wish to travel from one location to another
- The other usage of air transportation is freight airlines that specialize in transporting goods, mail, cargo and other tangible items

- ❑ With air transportation, users usually have to bear more cost when compared to other modes of transportation
- ❑ Apart from costs, the size of items to be transported is also limited those that can fit inside a plane
- ❑ For commercial aircraft, plenty of time is typically spent before, during and after flights

- **Land Transport**

- Land transportation can be divided into two modes

Rail Transport

- Rail transport can transport both people (passengers) and goods (freight). Passenger trains are used to transport people inter-city and intra-city transit
- Inter-city service typically entails higher speeds with longer distance between cities

- Intra-city transit entails lower speed, shorter routes and more stops along the way
- Regardless of whether rail travel is between cities or within a single city, it can save significant travelling time and lessen pollution

- The other type of rail transportation is freight trains used to transport cargos and goods
- Freight trains offer an efficient way to move goods due to its lower price and loading capacity
- A major drawback with freight trains is that the network does not always allow for door-to-door delivery

- ***Road Transport***

- Road transportation utilizes networks of highways and roads to transport people and goods from point A to point B
- With modern highways that connect every city and important location within a country, transportation of people and goods is fast and more convenient as it can provide door-to-door delivery

- Unlike rail transportation, road transportation does not require stations, ports or terminals to be able to operate making road transportation very flexible
- However, road transportation is less efficient than the railway when load capacity or distance to cost is compared

- **Water Transport**

- The slowest method, yet one of the most popular, especially for cross-continental transportation, is by water and is probably the most suitable for moving goods over long distance
- However, it may not be the most popular method to transport people except for recreational purposes

□ Modern freight ships can be categorized according to their purpose;

- *Bulk carriers* – transport bulk cargo items
- *Container ships* – carry and transport truck-sized containers
- *Tankers* – transport goods in liquid form

- Reefer' ships have a temperature-controlled compartment for perishable commodities
- RORO ships, roll-on/roll-off ships, are specifically designed to carry cargo with wheels such as automobiles

- ❑ With so many varieties of ship, logistic management companies need to select the most appropriate one for the products to be transported
- ❑ Not only ships, but also route or shipping lanes have been developed to maximize efficiency and economy of scale that can drive the cost per unit down and has made water transport the bridge between other modes of transport in multi-modal transportation

- ❑ One important disadvantage is that it depends on ports to have access to a certain location
- ❑ Another limitation lies in operating speed

- ❑ To ensure the success of the event, transportation methods and arrangements must be well planned
- ❑ MICE events have specific requirements and precisions in terms of logistics and transportation
- ❑ **Six specific** requirements organizers need to take into consideration when selecting modes of transport:

1. Speed

- ❑ The faster the journey and the shorter the time spent on transportation, the better it is for business travelers
- ❑ However, better benefits come with greater cost
- ❑ It is necessary for organizers to balance between the two to get delegates to the destination in an appropriate amount of time at a reasonable cost

2. Comfort

- ❑ The opportunity to sit comfortably and relax with minimum distractions are qualities for which people traveling for business purposes, even to attend MICE events, are willing to pay extra
- ❑ On the other hand, this factor may not be of much importance when it comes to transporting goods, as organizers simply need to ensure their condition is maintained at all times

3. Reliability and Punctuality

- ❑ As time is one of the most vital matters for business travelers and to MICE attendees, reliability and punctuality of any transport services must be ensured to mitigate risk
- ❑ Organizers and exhibitors also need to stress reliability and punctuality qualities in the services rendered by transportation service providers

- To ensure everything goes according to plan, organizers should take into consideration not only the time required for transportation but also time required for clearing goods through customs

4. Convenience

- ❑ Convenience is linked with many business travelers' need for speed and is not limited to location or public transport networks, it can be incorporated into the services designed to save time or prevent frustration
- ❑ For transporting goods and equipment, convenience may be less important when compared to reliability and speed

5. Frequency

- ❑ Another factor closely related to convenience is frequency
- ❑ An airline company with frequent flights schedules for each route will allow MICE attendees to tailor their itinerary according to their schedule
- ❑ For transporting goods and equipment for MICE events, most cargo airlines and shipping companies operate with regular intervals and schedules that are typically fixed
- ❑ This means that an organizer must decide on the mode of transport to use

6. Value for money

- Value for money is one of the most important factors for business travelers and MICE organizers
- A transport operator who can offer superior services with a competitive price will have a distinct advantage

- ❑ When considering the mode of transportation for MICE attendees traveling from abroad, air transport should be the most preferable choice because it is the fastest way for attendees to get to the destination
- ❑ However, once they reach the airport, they might require transportation to their hotel or to the venue

- ❑ Exhibitions often require complicated logistics planning since they involve transportation of both people and exhibits
- ❑ Organizing any successful exhibition relies on well-planned logistics in three phases: *build-up*, *exhibit* and *dismantling*

- However, before anyone can create a flawless logistics plan, time & budget constraints as well as space limitations need to be analyzed and dealt with in the planning stage

Related Stakeholders in Logistics and Transportation

- ***Ports and Stations***
 - Some types of transportation cannot take place without the existence of ports
 - *Airports* are locations where aircraft take off and land. Most international airports also offer space for aircraft to go through maintenance.

➤ *Seaports* are locations where ships dock to transfer goods and resupply all needed resources. Port location is selected to optimize access between land and water for commercial usage, especially for large container ships due to their need for deep water.

- ***Port Authority***

- The Port Authority is a state-owned enterprise responsible for regulating ports

Airports

- The Kigali International airport is a state-owned enterprise responsible for regulating and operating airports in Rwanda



Tanzania Invest (2017), <https://www.tanzaniainvest.com/wp-content/uploads/2017/03/dar-es-salaam-port-congestion.jpg>

- ***Immigration Bureau***
 - The Immigration Bureau is responsible for granting visas to non-Rwandans who wish to come to Rwanda
 - The connection to MICE industry lies in the leniency and simplicity of this process



Rwanda East Africa (EAC) e-Passport



JYA KU IREMBO.GOV.RW USABE PASSPORT Yawe

- ***Customs***

- The Customs Department is responsible for collecting tariffs for imports & exports passing through the borders of Rwanda
- As every exhibit going in or out of Rwanda must pass the customs department, the customs department can be regarded as a gatekeeper allowing goods and equipment in and out of the country



RWANDA REVENUE AUTHORITY
TAXES FOR GROWTH AND DEVELOPMENT

- ***Food and Drug Administration***

- Food and Drug Administration ensure the quality of food, drugs, medical devices, chemicals and cosmetics available in the country
- Rules and regulations set by Food and Drug Administration also play a role in the exhibition industry as some rules may apply to the quality of exhibition goods entering the country



Rwanda FDA (2022),
<https://rwandafda.prod.risa.rw/index.php?eID=dumpFile&t=p&p=135094&token=5044adf2da65b5dc4ab6b175bbb890ba1828e90a>

- ***Airlines***

- Airlines are companies commercially operate aircrafts for transporting passengers and goods
- Passenger airlines are those operated aircrafts for the purpose of transporting people to various destinations
- On the other hand, freight airlines are aircrafts operators specialized in handling and delivering of tangibles



<https://prod.cdn-medias.jeuneafrique.com/cdn-cgi/image/q=100,f=auto,metadata=none,width=1256,height=628/https://prod.cdn-medias.jeuneafrique.com/medias/2023/06/27/jad20230627-eco-rwanda-rwandair-paris-03-1256x628-1687888550.jpeg>

- ***Shipping Companies***

- A shipping company is specialized in transporting goods on ships

- ***Freight Forwarders***

- Freight forwarders are companies that organize shipments of goods for individuals or corporations and will make contracts with airlines and shipping companies to facilitate the transport of goods
- They act as an intermediary standing between those who need goods delivered and companies that can deliver those goods

References

[1] Ms Chloe Lau (2021), Meetings, Incentives, Conventions and Exhibitions (MICE),

[https://www.academia.edu/6643997/Manual on Elective I Meetings Incentives Conventions and Exhibitions MICE](https://www.academia.edu/6643997/Manual_on_Elective_I_Meetings_Incentives_Conventions_and_Exhibitions_MICE)

[2] TCB (2023), Chapter 1 Introduction to MICE Industry p235-276,

http://119.59.125.46/citu/wordpress/wp-content/uploads/2019/05/120528_Teaching-Material_EN_V01_NT.pdf

End of Lecture 9

Thank you for Following the course!

Next lecture: MICE Service Providers

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