

ONE-STOP SHOP

Could the next great innovation for the MICE industry be a platform that handles all contract details?

BY ROB BEZDJIAN

Why does innovation often come from outsiders to an industry? The question intrigues me, in part because I was once an outsider to the MICE industry. Before moving into events, I spent a decade working in corporate America in various roles (finance, operations and compliance). So, by taking an outsider's point of view, let's see what innovations we are likely to see in the MICE industry in the near future.

ELIMINATE YOUR JOB

Early in my career I had a manager make a statement that has had a lasting impact: "If you want to ensure you always have a job, eliminate your job." The point was: In order to thrive in a competitive market, we must constantly innovate. If we are slow to innovate, someone else will at our expense. Often, that disruption will come from someone not expected to make a change, to create a product, or start a business or service.

A POTENT EXAMPLE

Jeff Bezos founded Amazon in 1994 and made an immediate impact on how books were distributed. Bezos had no background in distribution, was not an author or publisher, and had never worked in a bookstore or for the postal service. Yet, as an outsider, he saw an opportunity to change a stagnant industry.

Surely a bookstore, a publisher, a librarian or an author should have seen the possibility of the industry evolving with the advent and adoption of the internet. Why was someone



"Skate to where the puck is going, not where it has been."

—Wayne Gretzky

without any experience the one to change the industry?

Amazon has since transformed technology, retail, distribution and, most recently, how likely we are to make purchases at brick-and-mortar stores.

Bezos via Amazon is an example of a continuing crusade to eliminate clients' needs for current products and services by innovating and providing better products and services—even at the expense of cannibalizing current revenue. Amazon released the Kindle in November 2007, which essentially eliminated the need to purchase books from the retailer that were delivered through the mail, thus reducing sales for that division. Customers benefited from instantly receiving content and Amazon created a new division, which has evolved and further driven growth for the company while keeping pressure on competitors to catch up rather than take the lead on innovation.

THE FUTURE OF THE MICE INDUSTRY

An effective way to think about where a given industry is headed is to do a simple thought experiment: If [industry] did not currently exist and was being created from scratch today with current technology, how would the [industry] likely be organized?

Bezos has said that while working for a quantitative hedge fund in 1994, he came across a statistic that web usage was growing at a rate of 2,300 percent per year. Bezos decided to create a business plan that made sense in the context of that growth. In hindsight, it's easy to recognize that Bezos truly saw what direction the future was headed. Customers, clients, investors and partners have benefited from this vision since 1997.

In regard to where the MICE industry may benefit in the near future, I believe a ubiquitous enterprise software will be created that will add dramatic value for industry participants.

SALES PROCESS

Venues, hoteliers, CVBs, DMCs, third-party planners, sourcing services and more each employ their own sales staffs and potentially solicit the same corporate buyer for the same event. Does the current model provide the optimum client experience? Could there be a more efficient way?

Currently, there is no platform for clients to list the full requirements of their program, including lodging, audiovisual, F&B, transportation, excursions, registration, tracking, analytics and more. This service could also standardize all proposals, as well as integrate a score for on-budget and on-time execution of deliverables with confirmed client reviews from all vendors used. The platform could also allow for all vendors to bid on the program. Increased competition by vendors would drive down costs while increasing quality—while the client and the industry benefit.

ROOM MANAGEMENT

Many of us running events have put together spreadsheets of rooming lists, with many inevitable revisions and updates costing time and money. Perhaps there's an opportunity for a technology solution to allow planners to directly input rooming lists into vendors' internal rooming software. The



Amazon founder Jeff Bezos rewrote the book on reading with the Kindle e-reader.

user could make updates rather than both the user and vendors' operations staff duplicating efforts. Better yet, perhaps there's a much larger opportunity for a user-friendly enterprise software to be created that the entire industry can use. All hoteliers, cruise lines and other vendors could utilize a single software for the management of rooming blocks. As employees move throughout the industry, there would no longer be a need to learn a new internal software. Could this be adopted by the industry?

PAYMENTS

Safe, timely payments, which prevent fraud and limit the risk of currency fluctuations, are important for many global industries. With billions of dollars being exchanged by market participants, the MICE industry may be second only to the finance industry in this regard. Would there be a benefit to a universal enterprise platform that verifies and validates all payors and recipients, eliminating the risk of wire fraud, delayed payments and currency exposure?

SMART CONTRACTS

Smart contracts essentially use technology to bypass costly middlemen. Once terms of the contract are fulfilled, there is no need for lawyers, accountants or other intermediaries to be involved. This new technology is anticipated to save many industries time, inefficiency and the cost of involving too many cooks in the kitchen. Could we see smart contracts being a central part of the MICE industry with single contracts including the client, hotelier, DMC, AV, F&B and other vendors instead of a separate contract for each supplier?

The efficiency, simplicity and consistency created by a ubiquitous software platform would greatly lower the cost of MICE programs that will benefit the industry as a whole. Let's look forward to seeing what the future holds.

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