















will need to start thinking of all possible funding options. If an experienced entrepreneur enters into a new business, he/she may have few advantages as compared to new entrepreneur in sources of funding since he/she they may pool capital from a previous job. Let us try to understand the various kinds of costs and sources of funds required for a business.

**Kind of costs:** You should know beforehand how much resource will be expected to start a business so as to choose the source of resource. There are three kinds of costs in a business. These are Capital cost, Fixed Cost, and Variable cost.

**Capital costs:** Entrepreneur needs Capital in form of assets to start with, Such as Deposit for Renting of office building, Licenses, Laptops/Computers, Mobiles, Internet connections etc.

**Fixed costs:** Fixed costs need to be paid regardless of the amount of sales made or service provided. Fixed costs includes, salaries, electricity, rent etc

**Variable costs:** Variable costs vary based on business output like cost of Tour Managers, cost of Marketing like hiring a social platform Manager etc

Kinds of sources of Funds: There can be many sources for funding your business.

**Personal money:** The entrepreneur invest his/her own money in the business

**Borrowing Money from friends and family:** Arranging money from Friends and family who are supportive to your idea of business can be faster and cheaper. Interest and repayment terms, if any, may be more flexible than a bank loan.

**Equity funding:** If an entrepreneur is willing to share ownership of business, equity financing is one of the options of raising funds. Equity financing is a wide term which includes financing from friends and family by giving them some shares in the company.

**Bank Loan:** These days Banks follow strict criteria in giving loan and to new companies. Banks take risk no matter how exciting the idea is and until and unless a collateral security is provided to them in the form of land, building or any other asset, the loan is not given.

**Venture capitalists:** A venture capitalist (VC) is a private equity investor that provides capital to companies with high growth potential in exchange for an equity stake. A funding group faces high challenge by placing cash in a venture; if the endeavor does not take off successfully; all cash contributed by them might be lost. Venture capitalists while putting resources into the business anticipate that an exceptional yield should make up for the high danger just as offers in the organization.

**Angel investors:** These Investors are normally friends or acquaintances of the entrepreneur. They buy equity in the firm and influence the decision of the owner. As in our real life finding an angel a



difficult task, same is the case in finding of Angel investors. Indian Angel Network in India is an example of Angel Investor which contributes equity in early-stage businesses.

**Funding through Self-fueled growth model:** Finally, a budding Entrepreneur should not sacrifice quality of work in trying to launch a multi-million company overnight, Instead should focus on initial core customers by giving good quality service , Shall work to find new customers and consistently strive to be unique to those customers you already serve. Your quality of work shall spread and more customers will come looking for you. Fund will start coming in and you may use those funds in growth of your business. This is the best strategy to adopt for small business entrepreneurs.

#### **15.3.4 Implementation of the Business Plan**

We now need to start implementing the plan. But where is the Team? Yes you need to create a team and put in place the fundamentals of an office – which could be a part of your home or an office. Few things to consider: Office facilities, Printers, Computer facilities, Stationary supplies, Signage's etc

**HR policies** are very important part of your business Strategy. You need to create an organization with equal opportunity for all, delegate works diligently, give incentives sometime in form of cash and sometimes in form of kind.

**Operations:** The spine bone of any business is operations. The processes must be pre-defined, shall be double or triple cross-checked as one wrong move of your Operations team can give you nightmares for your business and clients. The whole process must be documented beforehand. You will need to deliver bookings which require to be delivered to the clients. Obviously you will get to understand how your business will fulfill the sale and deliver the service to the customer and be paid. The essential operations to think about are divided into Front office: customer facing and Back office: non customer facing.

#### **15.3.5 Marketing /Business Promotion**

It is very pertinent to let the world (your proposed clients) know that you / your business exist. It is very important to give a feeling to proposed client that until they have your expertise, they will not

have full satisfaction in their products and services. And you will have to build your marketing plan around this fact so that you can succeed in shortest possible time to win a project.

You may be having a small set-up initially but you have to show that you are superior in your segment of services which a proposed client may like to consume. So from day one, think you are big and capable of providing the best service to the client.

A great marketing plan is an essential and powerful business tool for MICE ventures. Not only does it specialize in the why, how, when, where, who and what of your marketing, but also outlines the precise, measurable steps you would like to require to realize your goals. Start playing around with Social media as that is the cheapest mode available in market; you may use Facebook, Business whatsapp, Instagram with frequent showings of your MICE products. Make clear and visually appealing PPTs to show your ideas to proposed clients.

Target Market/Cientele: You need to do a self study- who are your target clients. Big organisations would like to do meetings /incentives either for their employees or for their business partners (like distributors/Dealers) or for both. Start thinking, make a database, start approaching with best ways possible and hit with your actions in the market. You will surely win. It is best to first take small groups /events in MICE so that you can create some good value customers before taking bigger assignments/projects. 90% of today's business is being earned by Referrals, this is a great tool. Once you perform good services in MICE, your client is your Brand Ambassador. This is a marketing tactic that makes use of recommendations/feedbacks and word of mouth to grow MICE business's customer base through the networks of its existing customers/clients. At its heart, it is a way to get your biggest fans to help spread the word about your brand.

#### **15.3.6 Review and Re-visitation of the Business plan**

Imagine your company is created and the business is running well. Think Again and review all the verticals. You must regularly analyze your company marketing, branding, customer experiences, what next to be done to reach your goal. You shall regularly revisit your plans with your colleagues. A great way to do is SWOT analysis every month-end. This would surely throw up many findings which can be used for company's growth.

Entrepreneurial paths are a number of the toughest roads to follow and need individual and team player who are willing to test their character and skills against the best competition. Young leaders wanting to earn their place in the economy must consider how to create an environment

for them that is conducive to goal realization. They need to seek out ways to resolve financial stress, to take care of this focus, and share their ideas with the proper partners with whom they will collaborate and grow in MICE

Today the MICE industry is an amazing global community of entrepreneurs, corporations, and very large global entities. But the fact that connects many of the spaces in between are people that own and operate DMC's or event management companies within the supplier universe and lots of people who plan, buy and deliver for a business that range from small to large privately owned entrepreneurial driven business.

### **SOFT SKILLS STUDENTS SHOULD WORK ON TO ASCERTAIN MICE AS A CAREER**

- Strong work ethic
- Dedication to work
- Written & verbal communication skills
- Be Creative in Approach.
- Analytical/quantitative skills
- Innovation and Imaginative
- Proactiveness
- Multi-Tasking
- Initiative taking attitude
- Computer Skills like writing proper emails to Clients, Suppliers, vendors
- Flexibility / adaptability
- Emotional Intelligence to manage the stress of the team
- Active listening
- Creative in problem-solving
- Relationship building
- Master the MS Word Applications Like MS Word, MS Excel & MS Powerpoint
- Master Google forms, Pivot table making, Data Analysis

#### **Check Your Progress - 1**

- 1) List the advantages of Shared leadership.

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2) Discuss the steps in an entrepreneurial journey.

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#### **15.4 LET US SUM UP**

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In this Unit we have discussed about entrepreneurship in MICE, skills required to be an entrepreneur and the sources of funds. All entrepreneurial journeys are unique however; there are certain elements which are generally applicable in any entrepreneurial journey. These includes Generation of ideas, preparation of the business plan, implementation of the business plan, marketing and review of the business plan.

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#### **15.5 CLUES TO 'CHECK YOUR PROGRESS' EXERCISES**

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##### **Check Your Progress 1**

1. Refer Subsection 15.2.1
2. Refer Section 15.3