



Report to
Business Visits & Events Partnership
Subvention and Bid Support Practices
for International Conferences and Events in Britain

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Introduction

This paper, commissioned by the Business Visits & Events Partnership, examines current practices in the UK and globally adopted by destinations, venues and professional conference organisers/event management agencies in the process of bidding and tendering for major conferences and events. It includes a detailed perspective on the issue of 'subvention' (defined by the Oxford Dictionary of English as a 'grant of money, especially from a government'), and the forms and sources of monetary and in-kind support that subvention can take. Subvention is recognised nationally and internationally as the single most important factor for attracting many types of conferences, in particular those affiliated to international associations.

The paper is informed by research undertaken among UK destinations and venues; overseas destinations and UK-based professional conference organisers and event management agencies, and outlines the views and ideas submitted by survey respondents.

The extent to which the UK and UK destinations may be placed at a competitive disadvantage because of the levels of support offered by key competitors when bidding to attract major international events is assessed together with an indication of the costs and missed opportunities resulting from failed bids. It also includes industry and stakeholder recommendations for how the UK could/should respond to such competitive challenges through new policies and types of practical support that would help UK destinations and venues to increase their success ratios from international event bids. It provides important guidelines and case study examples of how to develop a cohesive approach to event bidding by local and central government agencies.

The key objectives and uses for subvention would be as follows:

1. To attract high yield, high spend international conferences linked to UK areas of expertise in industry, commerce or science and medicine, to boost the economy and benefit inward investment;
2. To enable UK cities and destinations to be competitive within the international conference market;
3. To attract additional international conferences that may not be attracted without subvention, thereby boosting UK levels of international conferences to be more in line with those of other major European and international destinations.

Conclusion

It is clear from our research that the UK and UK destinations are at a competitive disadvantage when bidding for major international conferences and related events. Competition from new and emerging destinations, as well as from existing key competitors, will only increase in the years ahead. If we are to arrest and reverse the UK's slide down the league table of top international conference destinations, we must face and address the commercial and competitive realities in ways that enable us to maximise our chances of success.

This is not just a question of money (subvention). We can and must:

- improve the other forms of support that we offer to international associations
- be innovative and creative
- adopt a more effective joined-up approach
- and demonstrate a real hunger to win more international conference and events business.

The legacy from staging such events is not just in the direct and immediate economic impact generated. It is also in the long-term benefits they provide and in their ability to position the UK at the very forefront of knowledge exchange in the emergent knowledge economy, in professional development and technical advancement, in employment creation, and in new investment, innovation and technology transfer.

We also know from earlier research that up to 40% of business visitors to the UK can be expected to return, often with their families, as leisure visitors, extending and increasing the economic benefits arising from their initial experience as a conference visitor.

The need for action

The top countries and top cities for international meetings are shown in the tables below and overleaf. **Just 3% of the conferences in Europe in 2010 were held in the UK.** Apart from London, no other UK city features in the top 30. It can be seen that since 2008 no UK city has made it in to the top ten. 2009 was the first year since 1885 that London did not feature in the top ten cities. In addition to London, Edinburgh, Glasgow, Liverpool and Manchester have all been able to significantly increase their proportion of international events through proactive bidding, yet provision of conference subvention would increase their success rate substantially. It remains a major factor that is clearly inhibiting the UK's ability to compete internationally.

Top ten countries for international meetings 2010	Number of meetings 2010	Percentage of all meetings 2010	Top ten countries for international meetings 2009*	Number of meetings 2009	Percentage of all meetings 2009	Top ten countries for international meetings 2008	Number of meetings 2008	Percentage of all meetings 2008
USA	936	8.1%	USA	1085	9.4%	USA	1079	9.73%
Japan	741	6.5%	Singapore	689	6.0%	France	797	7.19%
Singapore	725	6.4%	France	632	5.5%	Singapore	637	5.75%
France	686	6.0%	Germany	555	4.8%	Japan	575	5.19%
Belgium	597	5.2%	Japan	538	4.7%	Spain	467	4.21%
Spain	572	5.0%	Belgium	470	4.1%	Germany	440	3.97%
Germany	499	4.3%	Netherlands	458	4.0%	Netherlands	428	3.86%
Korea Rep	464	4.0%	Austria	421	3.7%	Italy	413	3.73%
UK	375	3.3%	Italy	391	3.4%	Belgium	383	3.46%
Austria	362	3.1%	Spain	365	3.2%	UK	349	3.15%

Source: Union International Associations

*In 2009 the UK hosted 353 meetings, 3.1% of the total percentage worldwide.

Top ten cities for international meetings								
	Number of meetings 2010	Percentage of all meetings 2010		Number of meetings 2009	Percentage of all meetings 2009		Number of meetings 2008	Percentage of all meetings 2008
Singapore	725	6.5%	Singapore	689	6.0%	Singapore	637	5.75%
Brussels	486	4.4%	Brussels	395	3.4%	Paris	419	3.78%
Paris	394	3.6%	Paris	316	2.8%	Brussels	299	2.70%
Vienna	257	2.3%	Vienna	311	2.7%	Vienna	249	2.25%
Seoul	201	1.8%	Geneva	183	1.6%	Barcelona	193	1.74%
Barcelona	193	1.7%	Berlin	171	1.5%	Tokyo	150	1.35%
Tokyo	190	1.7%	Prague	170	1.5%	Seoul	125	1.13%
Geneva	189	1.7%	Stockholm	159	1.4%	Budapest	116	1.05%
Madrid	175	1.6%	Seoul	151	1.3%	Copenhagen	104	0.94%
Berlin	165	1.5%	Barcelona	148	1.3%	London*	103	0.93%
Top 3 UK cities								
London	164	1.5%	London	130	1.1%	London*	111	0.97%
Edinburgh	35	0.3%	Edinburgh	23	0.2%	Edinburgh	34	0.3%
Cambridge	17	0.2%	Cambridge	18	0.2%	Glasgow	34	0.3%

Source: Union International Associations *change due to subsequent change in reporting format

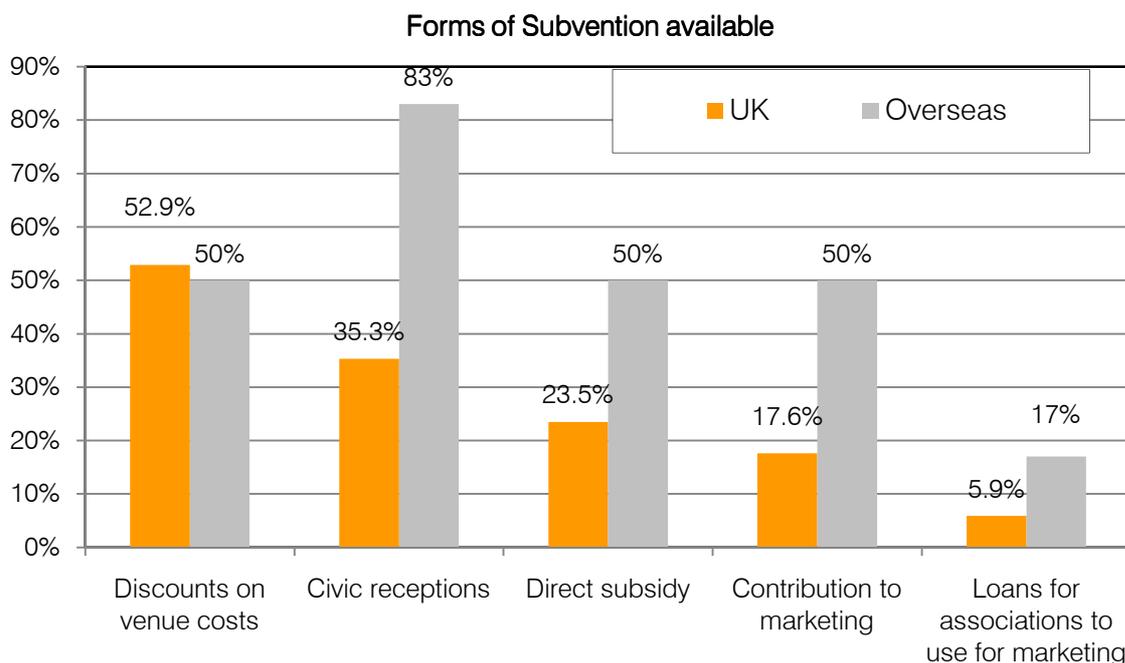
The most recent research from ICCA (International Conventions and Congress Association) shows that international meeting delegates spend an average US\$2,655 per meeting. With an average of 571 delegates attending international meetings, the UK is clearly missing out on significant economic benefits. In addition it is missing the opportunity to showcase British expertise on the international stage in subjects that are of great importance to the growth of the economy in future. The top subjects for these meetings including medical sciences, technology, science, industry and education are all areas with major export and inward investment opportunities. Appendix C provides a detailed list of the potential growth sectors for the UK economy.

Current Practices

The very nature of subvention often means that it is shrouded in secrecy and destinations are reluctant or unwilling to divulge their policies and the size of any subvention fund. In order to clarify the current practices research was undertaken from March to July this year which invited over 200 participants in three categories - UK destinations, overseas destinations and PCOs/event management companies - to share their views and practices on subvention. Responses were received from up to 35% of each category. Respondents were promised confidentiality. However it can be revealed that respondents represented organisations in 15 major UK conference destinations.

Destinations and subvention

The results show that 59% of UK destinations targeting conferences, meetings and events are offering subvention or bid support, higher than the proportion (47%) revealed in 2009 research, suggesting that there is increased recognition of the importance of subvention and bid support activity. The forms of subvention available are shown in the chart below, with most destinations offering more than one form of subvention.



In comparison to their UK counterparts, overseas destinations were more frequently providing welcome receptions at the town hall, banners in the town, welcome desks at airports/rail stations and public transport for delegates, all free to the conference. Loans to associations or funding of the association's marketing activity prior to registration funds being received by associations are increasingly popular. These enable funding allocations to be recouped by the city and help both parties - association and city - to attract more attendees through increased marketing.

Subvention and the need for it is not showing any signs of decline, despite many in the industry (UK and overseas) disliking it as a practice. This can be seen from the following responses:

- 41% of the UK destinations and 86% of the overseas destinations said subvention requests from international associations are on the increase,
- 53% of UK destinations and 14% of overseas destinations said the level of requests is the same as always and
- just 6% of UK destinations and no overseas destinations thought they were decreasing.

The budgets for subvention and bid support activity in the UK are significantly lower than those for many international competitors. The average annual subvention budget for the UK destinations surveyed is just £22,450 (excluding in kind contributions) compared to an average of Euros 358,109 (£314,147) for the overseas destinations surveyed, all of which are provided from individual cities or municipal governments' budgets. 86% of overseas destinations thought their budgets for subvention would remain the same beyond 2012. Clearly the UK destinations are at a disadvantage unless their budgets for bid support activity are made more comparable to their international competitors.

All the UK destinations providing subvention evaluate the qualification of associations applying through analysis of the economic benefits generated by the conference. This can include the room nights, total spend value, and other values such as PR, marketing or profile gained as a result of the conference taking place. Many require accommodation for attending delegates to be booked through their own booking services in order to quantify and justify the subvention provided. The overseas destinations were using very similar forms of evaluation in relation to economic benefits with ROI calculated in the region of 12.5 to 1. However, they were more likely to consider the synergy of the conference content to the specific strengths of their local economies and to their conference ambassadors recruited to assist in the bidding process. Overseas destinations seem to be more rigorous in assessing the ability of the conference to enhance local centres of excellence and contribute to inward investment. They also linked subvention to the booking of their destination for more than one year.

Nearly all responding UK destinations could provide examples of conferences that had been lost to overseas destinations principally because the latter were able to offer greater subvention or in kind support. Some of the examples quoted are listed in the table below.

Conference	Number of delegates	Potential economic benefit £ millions and related information
World Conference on Lung Cancer 2017	12,000	£27m
International Bureau for Epilepsy	5,000	£5.5m
International Council for Physical Activity and Fitness		
International Diabetes Federation (World		Triennial conference. Last held in Montreal

Conference	Number of delegates	Potential economic benefit £ millions and related information
Diabetes Congress)		in 2009, attracting 12,000 delegates. £17.4 million – require free venue hire
World Federation of Neurosurgical Societies (WFNS) 2017	5,000	£7.28 million
International Federation of Gynaecology & Obstetrics (FIGO)		£20m – members in 124 countries and territories
Parliament of the World's Religions 2019	8000	Almost £30 million. 7-day event. US\$9,500 needed just for the bid
ECCO (European Cancer Organisation)	18,000	£35m

The destinations that the UK is most often struggling to compete against due to the levels of subvention, in kind support or sheer costly efforts made to secure the conference, are:

- Barcelona
- Cape Town
- Copenhagen
- Hong Kong
- Istanbul e.g. All voting members hosted in Istanbul for weekend
- Malaysia
- Monaco
- Paris
- Seoul
- Singapore
- Sydney, Melbourne & Australia overall
- Vancouver
- Vienna e.g. Austrian President hosted dinner at the Palace for association representatives and they had a special private performance of the Opera.

Many of these cities provide simple solutions such as free transport for delegates or co-ordinated hotel rates.

Examples of the forms of subvention and bid support that helped secure conferences for UK destinations are as follows:

1. Conference and evening function venues provided free of charge.
2. Reductions in daily costs depending on the size of the event, reduced room rates depending on catering and accommodation guarantees.
3. Subvention allocated as 7% on each room night booked and taken (room only). Between 4% and 8% also mentioned by others.
4. In kind support provided for bids and site inspection costs such as bedroom accommodation for committee members.

5. Guarantees for exchange rates and flexible deposit schemes.
6. Marketing activity support such as e-blasts and web sites, delegate housing (accommodation) digital platform.
7. A special group of key stakeholders meet on a regular basis to discuss ways in which we can provide greater bid support - this collaborative action, whilst not necessarily decision-making in terms of the bid decision, has definitely been an influence in our winning a number of recent bids.

The actions respondents would like to see in order to increase UK success in bidding for international conferences and other events are summarised as follows:

1. Increase understanding and recognition of the significant opportunities to be gained from Association Congress business as it brings wealth and opportunity to a destination long term and well after the Congress itself has moved on. One way this could be achieved is by a forum for government representatives (to include high level national representatives) with meeting professionals and association representatives to look at examples and learn from these. This should encourage greater understanding of the links to inward investment and academic, scientific and industry profile for the UK.
2. Develop a national subvention policy that would enable cities in the UK to bid with greater confidence when in competition with other destinations. Subvention should be centralised and not allocated by region or city to create a level and fair competitive national market – this would allow UK destinations to compete for international events more effectively. It might/should include an agreed subvention amount per delegate or as a percentage.
3. Adopt a more integrated approach at city level and at central government level, with everyone working together in order to facilitate the speedy provision of support letters (from ministers and, where necessary, the Prime Minister) and quick decision-making in line with the associations' deadlines and timeframes. To include a civic presence at congresses' opening/closing ceremonies, or by preparation of a personalised video from civic/government leader(s).
4. Develop a key target list of large congresses being bid for which have government backing and which support medical, scientific and business goals i.e. define the key industries, scientific and medical fields the UK wishes to support and target our approach at these areas.
5. Assist in the creation of discounted travel cards for delegates when in the conference destination.
6. Ensure proper funding of convention and visitor bureaux (CVBs) rather than treating them as private commercial organisations. This would also help to give CVBs a clearer focus on generating inbound events rather than their trying to become part-time event management companies to cover their funding.
7. National government should have the meetings and event industry as a prominent player within the portfolio of a government department (such as the Department for Business, Innovation & Skills), to help drive best practice for adoption at a local destination level.
8. Encourage greater industry engagement with national carriers (such as British Airways and Eurostar) and with local transport providers to support inbound conferences and business events. Aer Lingus

and Ireland's leading professional conference organisers and destination management companies have just announced a deal that will offer conference delegates attending an event in Ireland a discount up to 20% on their flight costs.

9. Create a national body/association with funding to market business tourism for the UK – at the moment everything is very (leisure) tourism-focused.
10. Improve the facilitation of visas for attendees at business events and conferences by introducing dedicated event visas for international events (for over 2,000 delegates) which enable fast and more convenient processing at a special price.

Other comments on UK activity include:

1. We need to demonstrate to associations that we really want their conferences – we do not show enough 'hunger' in comparison to our competitors.
2. A long term strategy is needed as the lead-in times (for international conferences) are between 4 and 10 years. However, it is difficult for government to be interested that far ahead.
3. Conferences need to gain the same support as sporting and cultural events.
4. Venues cannot continue to provide subsidies without financial support from local or central government.
5. Bids can be lost through fluctuations of currency. Government support to 'hedge' currencies and minimise such fluctuations would be beneficial.
6. Follow Glasgow's example! (see appendix A)

Previous destination research into subvention

In addition to this year's research, a previous survey carried out by The Right Solution in 2009 among the UK destination members of Eventia found that, of 30 destinations who responded, only half (47%) were involved in the administration of a subvention fund at that time, a similar proportion to those who were coordinating international association conference bids. As some of the funding at this time was provided by regional development agencies it is known that the available funding has since reduced.

Other research undertaken by The Right Solution with ten European cities found that most cities admitted openly to offering welcome receptions, civic welcomes, transport subsidies and gifts, yet many were reluctant to divulge the level of direct financial incentives they have available for attracting conferences. This is unsurprising as it could be construed as 'unfair competition' within EU restrictions. However, associations planning large conferences in Estonia may have up to 70% of their costs covered under a scheme administered by Enterprise Estonia and the Ministry of Economic Affairs, which received funding from the European Regional Development Fund. Rotterdam has been known to offer between 10 and 15 Euros per delegate to attract conferences. Research undertaken by the city of Salzburg with ICCA destination members during 2009 also found that only 7 out of 24 destinations *admitted* offering financial support for conferences, although in reality many were doing so.

A survey published in *Association Meetings International* in October 2010 revealed that 30 out of 38 destinations were providing subvention or bid support in some form, and 16 had cash schemes. See Appendix B for the full details of what is offered by each city.

Further details of subvention provided by overseas cities and countries, in particular Asian cities, are outlined in the appendices.

PCOs' views on subvention

A separate survey undertaken with UK based PCOs (Professional Conference Organisers) revealed that 15% thought subvention was always important in their bid preparation for international conferences, a further 72% thought it was often important and only 14% thought it was rarely important.

Their responses to the forms of subvention they most often look for from destinations are shown in the table below.

Form of subvention most often sought by PCOs from destinations	Percentage of PCO responses
Contributions to funding elements of the conference, civic receptions etc	100%
Discounts/subsidies on venue costs	100%
Financial contribution to marketing of the conference	83%
Direct funding subsidy	83%
Loans for associations to use for marketing	33%

50% of PCOs thought that subvention requests from international associations were on the increase, 33% thought they were the same as always and 17% thought they were decreasing.

Many said there was no typical amount that they look for in subvention funding and that it can vary from £2,000 to £100,000. They all expected applications to be evaluated on an individual basis depending on the value of the conference to the destination. They said that some congresses' destination decisions were totally influenced by the amount of subvention on offer. They emphasised the contribution of the conference to academic research, potential benefits to UK commerce and raised profile in influential global markets. These are considered equally as important factors in the ROI evaluation of a conference as the direct economic benefits. Similarly to the overseas destinations they also mentioned the booking of the conference for more than one year as a potential qualifying factor.

All PCO respondents were able to provide examples of lost business to overseas destinations, sometimes with ten times the amount of subvention being available at other destinations as had been

offered in the UK. In their view the overseas cities and countries leading the way in developing competitive edge through subvention were as follows:

Cities	Dubai, Kuala Lumpur, Seoul, Singapore, Vienna
Countries	Australia, Canada, Finland, Mexico, Qatar.

Asian countries were generally considered a 'big threat' as vast sums of money were available for bid support activities including free transportation and free receptions.

Examples of actions and approaches PCOs had found to be successful are

1. We worked closely with the City of Glasgow to structure a bid to include subvention funding, pre-marketing strategy with free announcements, posters, gifts, staff at similar events and Civic Reception. Also work(ed) with SECC where they have pushed out deposit payments until much later which has truly helped the cashflow. Suppliers e.g. print companies, have worked with us to prepare a conference logo free of charge on the basis they receive the business.
2. Aspects we are discussing with key destinations as a collective are to see if pre negotiation can improve the potential city offerings ahead of bidding and calculate the ROI for the destination to help support the case for (financial) support, or in kind support that is feasible if they do not have access to monetary funds.
3. Really it is about establishing relationships. Because we have worked extensively in Liverpool we have an excellent working relationship with ACCL who administer the city subvention. We adopt a joined up approach to developing the bid documents working together to get the business for the city.
4. We have engaged with cities at an early stage and started an education process for understanding the needs of the association business. We have also engaged with cities to assist in the control and management of accommodation. In addition we believe that a partnership approach and including a company like ourselves very early on in the bid process will give positive results - and our statistics show this. Unfortunately there are too many CVB's in the UK who feel that they must win the business alone to get the praise (or funding) - it should be a matter of putting the right team together to win the business.
5. We have had great success with cities such as Glasgow, Liverpool and Manchester all of which we have worked in partnership with us to go after international business. Kenes has found that coordinating the bid process with the association has sometimes been successful with all parties sharing in the risk.
6. Subvention is part of a well thought-through offer from a destination/venue; it will rarely sell/persuade as a stand-alone item; sponsorship in kind and for social welcome and/or civic reception will have real value.

Their views and suggestions on how they would like to see subvention handled in the UK in future are as follows. Please note these have been condensed but many were mentioned more than once:

1. A proper UK-wide strategy based on targeted prospects and ability to win, based on bidding for suitable congresses/events that are well-matched to UK destination; UK-wide Ambassador project; in my personal view, a strong champion/local Ambassador is more influential than subvention in the final decision making process.
2. Cities / bureaus need to put together a minimum support package that includes an element of at least some form of civic hospitality and a loan scheme to help with initial funding of the event. Assistance with marketing and the bidding process is also essential, like covering the costs of site inspections, participating in the bid. For National Government this should be much higher up on the priorities for the Department for Business, Innovation and Skills and a huge value to the country not only to the Business tourist sector but the importance of profile of Industry and Commerce in the UK.
3. Having a central mechanism that could exempt or reduce VAT for organisers of inbound International Congresses (easier than reimbursement); subvention monetary fund that can be applied for; bursary pot etc are some ideas.
4. Subvention funding (in all forms mentioned above) would help greatly attract more conferences to the UK. It gives the impression that the City are backing the event, they want the event to come to their City. There is already financial security to help start up the conference. A number of conferences do not have any upfront monies and subvention funding at the start greatly helps with venue deposits, PCO fees and marketing to run the conference until exhibition, sponsorship and delegate monies are received. Planning starts a long time prior to these funds being received
5. A co-ordinated programme which will present a 'joined up' approach to subvention at a national level
6. A cohesive and consistent approach from a city will always bring the best results. We look at three areas - the city offering, the venue package and terms and conditions and how accommodation and hotel prices can be fair to all. Having a strong local CVB to look after and co-ordinate these three areas for the good of the city works best. There are not many that work in this way. Major cities (should) have a simpler process based on an agreed formula. This may be a per delegate grant or similar. Public transport initiatives where delegates get free passes are also a great attraction to associations.
7. It does vary from location to location but the fact that two of our capital cities, London and Edinburgh, have virtually nothing to offer is very poor compared with other cities both in UK and the wider market.
8. Due diligence is required when considering a bid and proper research to ensure that the level of subvention is appropriate. Also once received, the subvention monies should be used properly. As a professional PCO we have *always* given the subvention funding back to the city to ensure we obtain it for the next conference that will take place.
9. London, in particular, should recognise its role in attracting large associations to the UK. Most other cities could benefit from business coming to them through London as a gateway. Therefore an approach to subvent large conferences which other cities cannot hold should certainly be looked at. This may even be a joint approach where many cities support a bid where they all benefit.

Collaboration by England's Event Cities

It was reported in the trade media ('Conference News') that England's large event cities have joined forces to collaborate on bidding for future major events, following the experience of putting together a bid for *England's 2018 World Cup* campaign. The initial agreement was made at a Host Cities Forum event in January 2011, attended by city representatives from, inter alia, Birmingham, Bristol, Liverpool, London, Manchester, Milton Keynes, Newcastle, Nottingham, Sheffield and Sunderland. Agreement covered collaboration on bidding for and hosting future major events including sharing details of local legacy plans. However this group does not appear to include major conferences in its focus. Visit England are facilitating a separate major conference cities group to focus on these issues, and participants will be from English cities.

As the EventBritain unit at VisitBritain was closed earlier this year there is now less focus on the bid activity for major conferences and the UK's competitiveness is being compromised.

Case studies and examples of successful subvention policies

Glasgow Case Study

The city of Glasgow has recognised the challenges facing organisers of association and not-for-profit sector conferences posed by potential falls in delegate numbers leading to loss-making events and the accrual of venue cancellation charges. To minimise such challenges and threats for conference organisers, it launched (September 2010) 'The Glasgow Model' (or, to give it its full name, 'Glasgow: Safety in Numbers'), designed as a "unique business model between the association conference organisers, Glasgow City Marketing Bureau (GCMB) and the Scottish Exhibition & Conference Centre (SECC), based on the principles of creating equity, minimising risk and generating profit".

The construct of The Glasgow Model is, in the words of 'Meetings & Incentive Travel' magazine, "straight out of the buyout chapter of a mergers and acquisitions manual: the front end price is cut but then rises on a sliding scale as delegate numbers grow beyond target. And there is an underlying belief that Glasgow's marketing expertise can drive up delegate numbers for all."

Scott Taylor, GCMCB CEO, says: "There is nothing altruistic about this. This is economic development at a high level. We share the pain but we also share the gain when we help organisers to be successful. This new model is a powerful way to grow our market share and secure multi-year deals. We have developed the model in consultation with world-leading professional conference organisers to give us a compelling bid with more muscle than any of our competitors." He says that the partnership is built on:

- Transparency and trust (previous years' attendances must be available and accurate)
- Sharing risk
- Guaranteed income by subvention
- Guaranteed venue discount
- Delegate build and delivery
- Multi-channel marketing and communications.

Effectively the city goes into business with the conference/event organiser, providing marketing expertise and personnel, devising and undertaking direct marketing and social media campaigns to boost attendance to record levels, introducing organisers to potential local relevant sponsors to generate additional revenue streams and, in one case, funding a member of staff to work as an implant within the organisation/association for six years. It provides cash subvention plus a venue price cut which could be as much as 50% in the event of a poor delegate attendance. It therefore reduces the minimum commitment for a conference organiser, sharing the pain in the event of a downturn between the city, the venue and the organiser.

Ben Goedegebuure, Director of Sales, SECC, comments: "The initiative is a direct response to concerns raised by clients worried about delegate numbers in this economic climate. We wanted to offer a way to reduce the risk to our client whilst sending a confident message from the destination that we can deliver

on delegates. As a destination we're set up to help organisers boost attendance using the resources and connections we have throughout the city. The Glasgow Model is an extension of a unique collaborative approach that has already put Glasgow on the map as a world class events destination." *Source:*

www.myvenues.co.uk/news

Scott Taylor adds: "The Glasgow Model is a unique commitment to a jointly shared business strategy with the conference organiser. We explicitly understand the importance of reputation and brand, and have a clear responsibility to deliver success through creating equity and profit for the association. The Glasgow combination offers a highly-differentiated business model that is incomparable to other cities' schemes. Together we unlock an easy-to-buy solution with support when you need it and a 360-degree marketing package that quickly builds delegate attendance. We are delighted that it is the first in the market place and believe that it will set the pace of change in our industry." *Source:*

www.myvenues.co.uk/news

Ben Goedgebuure and Scott Taylor concluded: "The Glasgow Model continues to deliver advantages for conference organisers and remains unique in the market place. We cannot provide any further information at it may aid competitors."

Asia Pacific cities

Research undertaken by The Right Solution in January 2011 found that all the selected cities in the Asia Pacific region were offering subvention, even if some were choosing to call it by alternative titles such as *Strategic MICE Market Stimulation Programme*.

The forms of subvention offered include:

- Promotional assistance: logo endorsement, complimentary tourist information kits and welcome gifts, facilitation in liaison with other City A government entities; free admission to two city museums
- Accommodation: 10% cost support will be granted for a maximum of 5 nights;
- Food & Beverage: fixed amount per delegate (US\$50 per delegate)
- For Key-Note Speakers & Heads of Delegation: maximum 2 nights of hotel and 50% (or US\$375* maximum) per keynote speaker or head of delegation
- Bid support for all potential events (meetings, exhibitions, incentives): for pre-qualified bids, support includes air fare, participation fees, and bidding consultation on preparation of bid documents and presentations
- Site inspections support: includes round-trip air fare and ferry (max about US\$4900* /person), local transfers (max about US\$375/day) and local accommodation for a maximum of 4 decision makers depending on the size of the event
- For exhibitions: 25% support on exhibition venue rental, up to maximum of US\$3.24 per sq.m.fixed amount ranging from US\$ 12484 to US\$37455 for expenses on AV equipment, booth set up, street banners etc depending on size of exhibition opening ceremony support between

US\$3745* and US\$ 12485*; qualified buyers support – 50% transportation expenses (max US\$375*/buyer) and 3 nights of hotel accommodation (max US\$136*/per night for one buyer per standard 9sqm booth)

- Hong Kong Rewards: For groups with at least 20 overseas participants staying a minimum of two consecutive nights in Hong Kong, each participant receives the Basic Package:
 - Welcome souvenir
 - Complimentary copies of the Hong Kong Street Map and visitor's information booklet
 - VIP Offers leaflet at Quality Tourism Services (QTS)-accredited shops and restaurants
 - Coupons with free admission to museum, dining offers drink deals and shopping discounts. For more than 100 overseas participants, each participant receives all the above plus:
 - A welcome message displayed at the Hong Kong International Airport
 - Choice of Lion Dance or Magic Show
 - And a choice of value-added options whose net worth is increasingly higher, depending on the number of overseas delegates (this can include airport welcome, cultural performances, and tailor-made privileges for the client's specific event).
- Hong Kong Value Plus- Plus! For Conventions and Exhibitions the support packages are similar to those mentioned above, excluding the airport meet and greet, but offering a shopping/dining bonus package to all overseas delegates, with free admission to the Hong Kong Wetland Park, Hong Kong Museum of History and the Hong Kong Heritage Museum.
- Provide on-site support, such as securing key note speakers and on-site information booth.
- Under the CWSP, funds are allocated to support congress planning, marketing, on-site support and a pre-Convention site inspection to Melbourne for association decision makers considering Melbourne as a Business Events destination.
- Financial support can be set aside for general overseas marketing and development of new components or programmes
- For receptions, event profiling and delegate boosting.
- For associations to use for PR to promote meetings to be held in Tokyo and for use in inviting speakers and young researchers, and renting meeting rooms.

The ways in which these cities evaluate subvention are as follows:

- Support will only be extended to events that use services provided by local venues, hotels and travel agencies or local entities that are registered in City A with at least 50% of shareholding or controlling interest owned by City A residents
- Maximum of two events of same type of event by the same event organiser will be granted support. Within 30 days after the completion of the event, the organiser shall submit a post-event report with supporting documents, such as statistics, marketing materials and certified copies of receipts

- Some criteria to qualify for support: event with minimum of 100 overseas delegates staying 2 consecutive nights in local hotel and have at least 3 event days; convention of minimum of 300 delegates with duration of 3 full day meeting; exhibition of minimum of 1000sq.m.paid rental space per day held for at least 3 actual event days; incentive group should have a minimum of 50 overseas participants with 2 consecutive nights of stay in destination
- Hong Kong Rewards is valid only for groups with overseas participants and staying at least two consecutive nights in Hong Kong. Hong Kong Value Plus – Plus! Support is allocated according to size of event (minimum of 2000sqm gross space for exhibitions) or number of overseas participation
- Based on set criteria by MyCEB, applicable to international business events (meetings, conventions, incentives and trade exhibitions) only, *Rotational* (regional or international) in nature, Minimum of 20% international delegates, Minimum event duration of two days
- Minimum of 1,000 international visitor days. For example, 500 international delegates multiplied by two days
- Event owners/sponsors and local host organisation are eligible to apply. An event organiser may apply on behalf of event owners/sponsors and local host organisations
- Applicants are required to submit their request for subvention at least three months prior to bid or 12 months prior if the event has already been secured
- Support is given to Association-based Meetings and Trade Conferences with strong international delegations and high profile speakers, and a minimum of 400 visitor nights.
- Aside from the minimum criterion of 400 visitor nights, conferences are also evaluated based on the extent and reach of overseas marketing activities, the inclusion of renowned speakers in the programme such as global business leaders, the potential to generate high media value, as well as the provision of translation services for delegates and programme enhancements such as business tours and technical visits
- Special funding support will be provided for new strategic events (conferences, corporate meetings, incentive travel programmes, trade exhibitions) that are anchored in Singapore for at least three presentations.
- For trade exhibitions this is linked to the replication of an overseas event or a locally created exhibition that supports the growth of key industries in Singapore.
- The incremental support falls into four Tiers: Tier 1 (Promising Trade Fair), Tier 2 & 3 (Approved International Fair) and Tier 4 (Mega Trade Fair). For instance, an anchored exhibition with at least 1,000 foreign visitors, and occupying a minimum of 1,000 square metres net with a minimum of 60 foreign exhibitors would qualify for the initial support. This includes logo endorsement and financial and non-financial assistance. As the event grows from one tier to the next, the level of support also increases.
- Varies according to assessment of the event through the judging committee.

Appendix A International destination practices

The following case studies demonstrate examples of proactive support by cities and countries for bids to win significant and appropriate conventions and other events.

a) Cyprus Tourism Organisation's 'Hospitality Program for the Organisation of Conferences/Meetings in Cyprus'

The general aim of the programme is to promote Cyprus as an 'ideal conference destination', and for conference delegates and accompanying persons to experience the history, culture and gastronomy of Cyprus. The programme is administered by Cyprus Tourism Organisation (CTO).

Application Criteria:

- The CTO application form must be submitted, with an accompanying letter, at least two months in advance of the conference/meeting. After the completion of the event, the required documentation should be submitted for payment of the agreed amount of hospitality funding (failure to supply appropriate invoices nullifies the agreement)
- Participation at the conference/meeting by at least 15 persons from overseas
- The CTO logo should be promoted on all printed and electronic media of the conference used outside Cyprus
- Where this is feasible, projection of two-minute campaign material on Cyprus in the framework of the conference
- There should be special credits for the CTO hospitality (i.e. dinner/excursion)
- Free of charge participation by a CTO representative if they wish to participate (*unclear whether this is in the conference or in the hospitality event*)
- During the conference, the option for CTO research to be undertaken among delegates to collect data in support of conference tourism.

Organisations eligible to apply for assistance under the programme are:

- Non-profit organisations (excluding government, semi-government organisations as well as government services)
- Academic/educational institutions.

Eligible expenses for the provision of hospitality include:

- Gala dinner or welcome reception up to EUR 15 per foreign participant, or
- Excursion: complete coverage of the coach and licensed guide expenses and up to EUR 15 per foreign participant for a meal that may be offered during the excursion, and
- Provision of hospitality against receipt of air ticket / accommodation expenses for a keynote speaker, up to EUR 800.

Details of the documentation required for fulfilment of an application are shown on the web site.

CTO has also announced a 'Support Scheme for Conference Biddings for Cyprus', which offers local and overseas associations up to 80% refund on their total bid presentation expenses, according to a Cyprus destination feature in 'Association Meetings International' magazine (November 2010). While the detailed application form can be downloaded from the above web site, there is no explanatory information about the scheme. Further information: www.visitcyprus.biz

b) Fáilte Ireland

The 'Conference Financial Support Scheme' has budgeted up to €480,000 for qualifying associations or academic conferences to use for bid preparation and submission, site inspections and marketing to potential delegates. There was an intention to increase this substantially from 2010 onwards it is unlikely that this has taken place in the current economic climate.

Ireland has recently reduced VAT on hotels, restaurants, entertainment and cultural attractions to 9%, thereby making Ireland more cost effective for international congresses.

c) Holland's 'Pre-Financing and Guarantee Fund'

Initiating and organising an international conference is like starting up a new enterprise, whilst knowing that its lifespan is limited. Such an enterprise usually requires starting capital to pay the initial costs.

Insurance to cover possible risks due to unexpected reduced attendance may also be needed.

The Pre-Financing and Guarantee Fund was set up by the Netherlands Board of Tourism & Conventions (NBTC) and the Dutch Convention Industry Association, in cooperation with the Ministry of Economic Affairs, to meet these needs.

The Pre-Financing and Guarantee Fund offers two facilities:

- Interest-free loan to finance the initial costs of an international conference – the maximum amount of the loan is EUR 90,000, and this must be repaid in full before the start of the conference. The organiser must provide '25% coverage of the amount guaranteed, while the Fund grants a maximum guarantee of 75%'
- Insurance (non-commercial rate) against possible financial risks due to unexpected reduced attendance.

These two facilities may be used both separately and in combination.

Associations that are planning to organise an international convention (minimum duration is two days) in Holland can apply to NBTC for an interest-free loan or for a guarantee. NBTC is their intermediary for requests for pre-financing or guarantees under the Pre-Financing and Guarantee Fund. Whether a request will actually be granted depends on 'the soundness of the budget submitted, on the history of the convention, etc.' The minimum period for requesting pre-financing and/or a guarantee is twelve months prior to the convention. The web site claims that the Fund is a 'unique instrument in the international world of conventions'.

Further details (including examples of finance provided): www.holland.com/meetings

d) Malaysia Subvention Fund and the International Events Unit

The Malaysia Convention & Exhibition Bureau (MyCEB) was established by the Ministry of Tourism Malaysia to further strengthen the country's business events brand and to position the country as one of the world's leading international meetings, incentives, conventions and exhibitions (MICE) destinations. A non-profit organisation, MyCEB serves as a one-stop centre to assist meeting and event planners to bid for and to stage regional and international business events in Malaysia and to act as a conduit for national product development. MyCEB works closely with Tourism Malaysia offices worldwide to extend its services globally.

In December 2010 MyCEB received a £10 million funding boost from the Malaysian government under its Economic Transformation Plan (aiming to transform the nation into a high income economy by 2020) and as part of a strategy to grow business tourism visitors from 1.2 million to 2.9 million by 2020 (according to a release published at www.citmagazine.com). The funding is to be 'split between the operational expenses of the MyCEB team – which has grown to 24 staff from 5 when the Bureau was established in 2009 –and a subvention programme for attracting conferences to Malaysia'. The release added that the subvention programme 'will allow for financial and non-financial incentives for MICE groups, and agreed performance measures will be laid out in a new business plan'.

A subsequent media release (published on www.meetpie.com on 16/2/11) describes a measurable success achieved by the subvention fund in the successful bid to host the 5,900-delegate *International AIDS Society Conference on HIV Pathogenesis, Treatment and Prevention* in 2013. The subvention given to the organisers was apparently US\$1million (£622,450), which the General Manager of the Kuala Lumpur Convention Centre (Peter Brokenshire) claims "*was worth every cent in terms of the revenues it will bring to the nation*". The subvention fund is planned to increase to US\$18million (£11.2 million) in 2020. Brokenshire is also quoted as saying that the subvention fund will not only go some way towards making Malaysia more competitive on the global stage but will also facilitate more cohesive private-public sector efforts to deliver more international and regional business events into the country.

In June 2011 MyCEB launched a specialist unit known as the International Events Unit (IEU) which focuses on identifying and supporting international event bids including sports, art and culture and lifestyle events. Besides identifying and supporting bids by Malaysian event organisers to secure events for Malaysia, the IEU is responsible for evaluating and assisting home-grown and hosted events to maximise the potential for international publicity and attendances through strategic alliances. This includes identifying and supporting 'cluster' events designed to strengthen the global appeal of existing major events. A specific set of criteria has been set up to evaluate a proposed event on its direct and indirect economic value and the level of support required in order to maximise overall economic value.

The criteria include:

- Number of international participants
- Length of stay

- Publicity value
- Other qualitative factors including opportunities to package and promote extended stays and benefits for the business and local community.

The IEU will collaborate with various private and government entities including the Ministry of Tourism, Ministry of Youth and Sports, and Ministry of Culture, Arts and Heritage to attract and develop international events in Malaysia.

e) Vienna Convention Bureau

Vienna Convention Bureau (VCB) manages a scheme of 'Financial Assistance for Conventions of Associations in Vienna'. The scheme is an incentive to attract international meetings to Vienna during the low season. VCB does not assume any event cancellation liability. The financial assistance is only available to association conventions.

To qualify for assistance, the association convention must meet the following criteria:

- Internationality: more than 50% of attendees have to originate from countries other than Austria
- Timeframe: the conference must take place in Vienna in the period November-March or July-August
- Accommodation: must be in Viennese hotels.

To apply for assistance, the convention organiser must submit an official request at least six months prior to the conference. The completed application must include:

- The exact title and date of the conference
- The name of the conference venue in Vienna
- The number of expected delegates
- Details of accommodation to be used in Vienna (category of hotels and duration of stay)
- A preliminary budget for the conference.

A Committee that meets three times a year decides upon each application. Confirmation of financial assistance is given in writing following the meeting and the confirmed amount is paid after the respective event. Payment is made to the conference organiser's account as soon as the following details have been received by VCB:

- For events of up to 500 participants, a list of participants. For events with more than 500 participants, country statistics for the participants
- Copies of invoices in respect of congress-related expenses (e.g. room rental, printing, translation/interpretation costs, etc.)
- Bank account details for the remittance.

Pre-financing: it is possible for the organiser to receive 50% of the amount allocated one year prior to the event. To take advantage of the pre-financing offer, a separate application has to be made to VCB.

Further details: www.vienna.convention.at

APPENDIX B: TABLE OF CITY SUBVENTIONS ('Association Meetings International' – October 2010)

City	Cash Scheme	Travel	Venue	Transport	Reception	Marketing	Brochures	Total Euro
Adelaide	No scheme							
Amsterdam	No							
Bangkok	Yes	Yes	No	Yes	Yes	Yes	Yes	Depends
Barcelona	No		No	No	Yes	Yes	Yes	Depends
Basle	Depends			Yes				
Bergen	No scheme							
Brisbane	No scheme					Yes		Case by case
Budapest	80% of bid							10,000
Copenhagen	No	Yes	No	Yes	Yes	Yes	Yes	None
Dubai	No	Yes	Depends	Yes	Yes	Yes	Yes	
Glasgow	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Graz	Yes*2-7.5%				Yes			16,000
Hamburg	No	No	No	Reduced	Yes		Yes	
Helsinki	No	Yes	No	Yes	Yes	Yes	Yes	None
Hong Kong	No scheme	No	No	Some	Yes	Yes	Yes	None
Istanbul	No scheme	No	No	Yes	Yes	Yes	Yes	
Jerusalem								32,000
Kyoto	Yes	Indirectly	Depends	Yes	No	Yes	Yes	Varies
Lausanne	Depends	No	No	Yes	No	No	Yes	
Lisbon	No		No	No	Yes	Yes	Yes	
Lyons	No			Yes	Yes	Yes	Yes	
Maastricht	No scheme				Yes			
Marseilles	Depends	Yes	No	Reduced	Depends	No	Yes	
Munich	Case by case	Yes	Municipal	Yes	No	Yes	Yes	
Oslo	No	No	No	No	Yes	No	No	None
Paris	No	Yes	No	Yes	Yes	Yes	Yes	
Rio de Janeiro	No scheme							
Rotterdam	Yes** €10	No	No	No	Yes	Yes	Yes	20,000
San Francisco	No scheme							
Shanghai	No	Yes	Yes	No		Yes	Yes	
Singapore	Yes 50%	No	No	Yes	Yes	Yes	Yes	Depends
Stockholm	No		No	Reduced	Up to 1,200	Some		20,000
Tallinn	Yes 70%	Yes	Yes	Yes	Yes	Yes	Yes	19,000 – 64,000
Vancouver	Sometimes	Yes	Hotels	No	Discount	Yes	Yes	Case by case
Venice	No scheme							
Vienna	Sometimes		No	No	Yes	No	Yes	
Warsaw	No	No	No	No	No	No	No	None
Washington DC	Yes							

APPENDIX C SECTORS FOR CONFERENCES/EXHIBITIONS FOR INWARD INVESTMENT GROWTH

The UK exhibition market -top sectors showing increased attendance and growth

1. Catering & food processing
2. Energy, power & water
3. Industry & manufacturing
4. B2B (business services)
5. Books/publishing
6. Retail(ing)
7. Broadcasting & computers
8. Creative industries

UK World leader subjects with potential for future events

1. Specialist Science e.g. Ultrasonic pharmaceutical particle engineering technology
2. Education
3. Importers of wine
4. Most monitored people on earth -security
5. Retail
6. Offshore wind power
7. Marine renewals

Which sectors suggest growth in future?

1. Creative industries, Art, architecture & design, marketing, media, film, photography, music & the arts, publishing
2. Renewable energy
3. Robotics
4. Biotechnology & specialist sciences
5. Electronic currency & finance
6. Education – distance learning – virtual universities
7. Security

Potential target sectors (conference and exhibition links)

1. Science and medical (including related technologies)
2. Business and financial services
3. Environmental technologies
4. Digital, media and creative industries
5. Transportation

Potential Growth in health (including alternative), retail, sustainability/environment, IT, natural and organic health, homebuilding/renovating, employee relations, business travel, design and engineering.

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About the Business Visits & Events Partnership



The Business Visits and Events Partnership's aim is to lead the way in supporting a competitive, high quality and more profitable business visits and events sector in Britain. The Partnership seeks to provide a cohesive industry voice and works with government departments and agencies to influence and develop policies and practices favourable to the growth of tourism, trade and creative enterprise. The organisation has the support of the leading trade organisations and government agencies with an interest in conferences, meetings, exhibitions, trade fairs, incentive travel, corporate hospitality, and business, sporting, cultural and festival events. Members of the BVEP include;

Association of British Professional Conference Organisers

Association for Conferences and Events

Association for Events Management Education

Conference Centres of Excellence

Eventia

Events Industry Alliance

Events Industry Forum

Hotel Booking Agents Association

International Congress & Convention Association

International Special Events Society

London & Partners

Meetings Industry Association

Meeting Professionals International

National Outdoors Events Association

Northern Ireland Tourist Board

VisitEngland

Site Global

VisitScotland

VisitWales

Supporting Government Bodies:

Department for Culture Media & Sport

UK Trade & Investment

VisitBritain

For further information please e-mail: bvepartnership@gmail.com

or visit the Partnership's website at: www.businessvisitsandeventspartnership.com

The Business Visits & events Partnership supports "Britain for Events" the awareness raising campaign to encourage businesses in Britain to keep communicating through meetings and events. Find out more at www.britainforevents.co.uk

