

The National Meetings Challenge:

How should we rise to it?

Sustainable Business Tourism White Paper



BUSINESS TOURISM PARTNERSHIP
Leading the way



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Introduction



It is only now becoming generally known that an entire industry exists to design, promote, host and manage events for business audiences. The range of services that collectively produce conferences, incentive travel programmes, corporate hospitality and other events having a business objective, is defined in this document as the meetings and events industry.

This industry is recognized as being a significant part of the Business Tourism sector. Meetings and events have also been claimed in recent years by the marketing industry, since they provide face-to-face communication and have the power to influence and change attitudes and behaviours.

Not only is the UK one of the top destinations chosen to host international events, but British event management companies lead the rest of the world in creativity, innovation and logistical excellence. These companies are called to work on an international stage, producing major events all over the globe to clients based on every continent.

This document will show what this vibrant and fast-growing industry is already contributing to the UK economy, and show how, with governmental support, that contribution can be further enhanced in the years ahead.

Rob Allen

Chairman, Eventia

The Olympic challenge



The UK Meetings and Events Industry is among the best in the world, making an enormous contribution to the UK economy of over £22 billion a year.

With the London 2012 Olympics in the not too distant future, outside interest in the UK will increase; our product will gain added exposure on foreign shores. Whilst the arrival of the Olympic Games will focus many industries, it is meetings and events where genuine benefit will be felt.

Many people will be seeking to hold their meetings and conferences in the UK, not just in 2012, but, if we get it right, in the years before and after.

Already the UK can be justly proud of its position as one of the most creative and professional industries on the planet. It is our event management experience that will be most visible during the games and our smaller meetings that will bring in revenue in the run up and beyond.

We need to raise the profile of our meetings industry, gain greater recognition, and promote the benefit this industry brings to business, employment, local communities and our culture; all under the backdrop of a forthcoming Olympic Games.

Joss Croft

Head of Business Visits & Events, Visit Britain

Key facts and figures

The UK Meetings and Events Industry provides one of the largest sources of revenue for the UK economy, and forms a significant segment of what is now generally called 'business tourism'.

- The UK's annual revenue from business tourism, including conferences, exhibitions, incentive travel and corporate hospitality is valued at £22 billion - generating 26 per cent of the total UK tourism revenue
- Around 80 million people attend 1.5 million conferences and meetings each year
- 1.78 million jobs are supported by business tourism
- UK businesses spend £4 billion on events: of which £3 billion is spent on UK events and £1 billion on events held overseas
- Of the £3 billion UK spend, £1 billion goes directly to the Government, in the form of corporation tax paid by venues and event organising companies; income tax from those employed in the sector, and VAT
- 27% of all overseas visitor expenditure comes from business tourism.
- 40% of business visitors return for holidays with spouses and families

International Passenger Survey 2006

- Nine million business visitors come to the UK annually each contributing to different business sectors during their stay e.g. hotels, taxis and restaurants
- There has been a 10.4% growth in the number of overseas business visitors coming to the UK since 2005
- The average length of stay for an overseas business visitor is 4.3 days
- Total average spend per overseas business visitor is £527 an increase of 6% compared to 2005
- Total sum of overseas business visits, conferences, exhibitions and trade fairs is £4.75 billion. An increase of 17.2% from 2005

Business tourism therefore represents high quality, high yield year-round revenue.

The Meetings and Events market place

Business meetings are taking place every day. Their role is to communicate, motivate and educate, sometimes bringing about changes to attitudes and behaviours within entire organisations; often bringing about performance improvement, to individuals and the company's balance sheet.

Here are just a few of the events held routinely by corporate organisations:

- Sales and marketing conferences
- Product launches
- Training and motivational events
- Business presentations
- Annual General Meetings
- Management meetings
- Celebratory events

Associations, institutes, societies, professional and academic groups are also major meetings organisers, as are government departments and other not-for-profit organisations.

Many such 'institutional' events take place at an international level.

In 2005, over 90,000 meetings were held by such organisations worldwide. This figure is supplied by the International Congress and Convention Association (ICCA) - and only takes account of major meetings (averaging 842 participants in size). It is estimated that 33% of hotel revenues and 20% of airline revenues are attributed to the meetings and events market.

Clearly there is enormous economic benefit to be derived by those countries that have the opportunity to host such high-profile international events.

Supply and demand - market dynamics

Venues and destinations

Hotels and conference centres represent the tip of the iceberg in terms of event venues. Football stadiums, castles and aircraft hangars are just some of the more innovative locations that routinely host meetings. The drive to enter the market by new venues

continues unabated and ensures that there are healthy levels of competition and a constant need to embrace change.

National heritage sites benefit enormously from the events sector. Some report that as much as 30% of their income is derived from corporate events.

The UK's traditional tourist resorts, such as Brighton, Blackpool and Bournemouth depend heavily on out-of-season business visitors to fill their hotels.

Employment opportunities

The Events Industry Alliance (EIA) is currently promoting research undertaken by YouGov among members of the general public, which reveals that the career of 'event organiser' is the second most coveted job listed by women - above those of television presenter, teacher and therapist.

The popularity of this career option is borne out by the increasing number of universities now offering BA and Masters degree courses in event management. The first Event Management 'A' Level is being launched at the City and Islington College.

Evidently this sector is rapidly attracting interest as a career option, and yet professionals within the industry are still reporting a dearth of experienced practitioners in event management, clearly the demand for skilled staff is outstripping supply - one indicator of the sector's growth.

Market Growth

Research commissioned by the Meetings Industry Association (MIA) shows growth in specific UK meetings destinations, London clearly leading the market with 51 per cent of association organisers and 60 per cent of corporate organisers holding an event in the capital. Other major UK cities also performed well, with just over 30 per cent of association and 30% of corporate organisers holding events in Birmingham, and 19 per cent and 27 per cent respectively in Manchester.

London Olympics

The 2012 Olympics will bring massive developments in infrastructure and a multi-million pound investment in skills and training. With an expected TV audience of four billion, the events will throw the spotlight on the UK as a prime destination. It is envisaged that 50-70% of the net economic benefits from the Olympics will accrue to tourism and 67% of the economic benefit is expected to be delivered from the 'halo effect' during the five years following the Games.

One of the key tenets of the recently-launched DCMS strategy document 'Winning: a Tourism Strategy for 2012 and Beyond', is to maximize opportunities for increasing business visits and events, with the aim of making the UK the leading country in the world for holding business events and conferences.

Technology - challenges and opportunities

Learning how to continuously appeal to a new 'mobile' generation will be one of the challenges of the industry's future.

In spite of early concerns that the internet could threaten the meetings industry, the demand for face-to-face interaction is in fact growing. Globalisation, mergers and acquisitions are driving the need for organizations to convene integration meetings, many of which also harness technology for large-scale web-based communication.

However, there is a discernible trend for fewer, larger meetings. Multinational companies are moving towards regional (eg continental) meetings rather than national events - and their selection of destination will be largely influenced by price. Here, the UK as a destination faces stiff competition against cheaper and more flexible host countries.

Corporate Social Responsibility

Many household-name companies have introduced environmental policies and are trying hard to offset their carbon footprint throughout business activities, and this naturally includes their meetings, their corporate hospitality and other marketing events. Not only the travel elements, but also the event content are coming under scrutiny.

One of Eventia's missions for 2007 is to introduce a series of initiatives to raise industry awareness of CSR priorities. The Association is seeking to identify environmental and sustainable options to offer corporate clients. These may include offsetting the carbon costs of air travel and using recyclable materials and locally-made produce

Greater interaction, more relevance, a responsible approach to the climate and increased value; are all factors important to the future of meetings and the sustainability of the industry as a whole.

Rising to the challenge

The meetings and events sector is a vibrant and growing industry and has become a major growth area over the last 10 years. It provides employment and fills vital capacity in hotels, restaurants, theatres and even taxis, every month of the year. Its practitioners lead the world in their creativity and logistical excellence.

However, to maximize the employment and revenue-generating potential, the sector would benefit from recognition and support from the UK government. Here are just a few ways in which we could compete more effectively in the international meetings market place:

- More financial support in promoting Britain as a conference and convention destination. Less than five per cent of Visit Britain's current budget is spent on attracting business tourists.
- Higher priority given to improved research and data.
- Greater assistance from Government in the bidding process for international congresses and events to be staged in the UK.
- Fewer financial penalties to visitors from overseas, in the form of taxes, visa costs and event licensing fees.
- Lower concessionary VAT rates for conference delegates.
- Undertaking from MPs and ministers to support the bidding process for valuable international events by making host appearances at welcome receptions.
- Investment incentives for new products and improvement to existing conference facilities.
- Introduction of investment incentives for innovative practices in staging UK events.
- A new international convention centre to be built in London.
- A ministerial representative to promote and defend the business tourism sector against punitive taxes and legislation.

There has never been a better opportunity to raise the profile of the UK meetings and events industry. By gaining greater recognition, and promoting the benefit this industry brings to business, employment, local communities and our culture - we can maximise the benefits of the forthcoming Olympic Games.

Key industry bodies

There are several other key industry bodies that serve the meetings and events industry. Either individually, or working as part of the Business Tourism Partnership, they strive to further strengthen the profile of the sector and deliver enhanced member benefits.



Charity Registration No 1110830

The charity, Meetings Industry Meeting Needs (MIMN) was founded by leading figures in the UK meetings and events industry to raise funds for worthy causes in the UK and overseas relevant to this industry sector. Where such causes do not have access to public funding, MIMN can provide financial support through various fund-raising events and activities.



National Meetings Week 2007



The campaign

National Meetings Week was launched in 2001 to promote the understanding of the financial value of the conference industry to the exchequer, to promote the effectiveness of meetings and events to the business community as a business tool, staff motivator and communications medium and to promote awareness of the meetings industry to the outside world.

The 7th annual National Meetings Week is organised by a cross-section of individuals and professional organisations at the heart of the industry. The projects focus on the £22 billion-a-year contribution that meetings and events make to the economy, the 1.78 million jobs supported, the importance of delegate care, and the positive benefits which effective meetings bring to business communication and motivation.

National Meetings Week contains a week of activities designed to promote the meetings industry to the wider business community, raising its profile and highlighting the important contribution it makes to the UK economy.

The campaign enables the industry to gain some well deserved recognition for its achievements and its contribution to the wider business community. It also allows us to take a step back and evaluate the role meetings play within our own businesses and to ensure they are efficient and decisive.

Sustaining our Cultural Legacy - National Meetings Week 2007

By educating people about the role meetings can play in our economy and in sustaining our cultural legacy, we aim to illustrate how everyone who plans a meeting has a stake in this legacy and that today meetings and sustainability go hand in hand

The meetings industry stands in a unique position to lead on the increasing global focus of sustainability and the environment - last year the campaign focused on a part of this theme with The Green Agenda. Because of the unique way the industry utilises our country's wide variety of public and commercial buildings, it also impacts on the future of these sites and of the people that enter them.

Through this link, our industry actively helps to sustain parts of our culture, our arts, local economies and communities, heritage and education.



The Four Point Contribution



Many venues; sporting, historic, modern, unusual and unique, are members of our meetings industry. These venues provide meeting and event space as a way of sustaining their positions either as tourist attractions or buildings of a cultural or historical nature; a fact we should all be proud of.

By educating people about the role meetings can play in sustaining our cultural legacy, we aim to illustrate how everyone who plans a meeting has a stake in this legacy and that today meetings and sustainability go hand in hand.



Culture and the Arts

Many of the thousands of museums, galleries and theatres in the UK owe their longer opening times and reduced or free entry, to the additional revenue they bring in from the corporate market. By planning a meeting at a venue of cultural significance, organisers are helping to sustain these buildings and their contents be it arts, cultural, sporting or youth education.



History and Heritage

From castles to stately homes, meetings play a huge role in sustaining the UK's heritage, keeping our history alive for thousands of people who visit these attractions. The extra revenue these buildings generate not only helps to fund the properties; they also contribute to their restoration and development. Many of our country's historic buildings would remain closed to the public and be lost for future generations to enjoy if it was not for the meetings and events industry helping to put money back.



Education

By choosing an educational venue to hold an event, be it a college, university or even a school, organisations are investing in the future of these establishments. These venues fit comfortably in our industry as excellent environments for learning, training and continuing professional development. Our industry's contribution is vital to fund scholarships, purchase new equipment and support these sites in remaining competitive in their own markets.



Local Communities

Many venues stand central to their local community, as a business supplier and procurer, a major employer or a meeting destination for local business. Unlike many industries, venues and buildings in the meetings industry have an immense responsibility to continually review how they interact with the local community; this year's theme recognises venues that continue to give something back to sustain local communities.

Case study: Sustaining Our Cultural Legacy



Operating at over 30 sites, including museums, attractions, racecourses and stadia all across the country, Sodexo Prestige employs 5,370 people (including casual workers). The collection includes eight castles, one palace, five museums, 13 racecourses and stadia, three stately homes, three boats and two ships. The venues in the portfolio include Blenheim Palace, Ascot Racecourse, Knebworth House, Everton FC, the West Wing at Ickworth, Murrayfield Stadium and Blair Castle.

As Britain's leader in corporate hospitality and international events Sodexo Prestige is a key supporter of National Meetings Week and this year's campaign theme 'Sustaining Our Cultural Legacy'.

Sodexo provides a leading industry example of the impact meetings can have on sustaining the UK's heritage and community, two key messages of this year's campaign theme. The company achieves this by ensuring corporate responsibility is a fundamental part of its everyday business practices.

With Sodexo Prestige's competency lying within the catering and event and venue management sector, it focuses largely on providing healthy food that is locally sourced wherever possible. This is part of its policy to contribute to the economic and social development of the communities in which it operates.

As a strategy, Sodexo Prestige endeavour to source produce such as dairy, fruit, vegetables and meat at its historic properties locally, and this is applied on a venue by venue basis. The company trace the food miles and attempt to ensure that the majority of suppliers are within a 50-mile radius of the property. The West Wing at Ickworth, a National Trust property is a prime example of the company's approach. Everything is UK-sourced, with many products, such as all pork, coming from the county of Suffolk. The Criterion ice cream is produced within five miles and the grapes for Ickworth wines are grown on the estate. At Ickworth, Sodexo follow the seasons, use sustainable seafood supplies and bake all cakes on site.



The company is also driving local initiatives including recruitment. Recruitment in the local area is very important and Sodexo Prestige often recruit straight from colleges and universities. Prestige recruitment officers attend college and university job fairs and open days and keep in touch with job centres.

Sodexo Prestige recognises its responsibility to the communities that it operates in and strives to lead the way in improving the quality of daily life for people living in these communities. The company believes that its community involvement should reflect business activities as this is where core strengths and areas of expertise lie.

Sodexo Prestige is a division of Sodexo, currently listed within the top 100 companies in the BITC (Business in the Community) Corporate Responsibility Index and number four in the IAOP Global Outsourcing 100. The group has also been ISO 9000 awarded, a standard which focuses on quality management, and ISO 14000 awarded which focuses on environmental management.

www.prestigeexperience.co.uk



Our Partners & Supporters

Partners:

VisitBritain ■ Holiday Inn ■ ExCeL London ■ ICC Birmingham ■ Barbican Centre ■ Visit London ■ EIBTM ■ Sodexo Prestige ■ Confex Group ■ Meetings & Incentive Travel ■ London Speaker Bureau ■ Glasgow City Marketing Bureau ■ Marriott Hotels UK ■ 76 Portland Place ■ Dolce International

Supporters:

Association of British Professional Conference Organisers ■ British Association of Conference Destinations ■ Meetings Industry Association ■ ICCA UK & Ireland Chapter ■ Events Industry Alliance ■ SITE GB Chapter ■ Meeting Professionals International UK ■ Eventia ■ Business Tourism Partnership

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