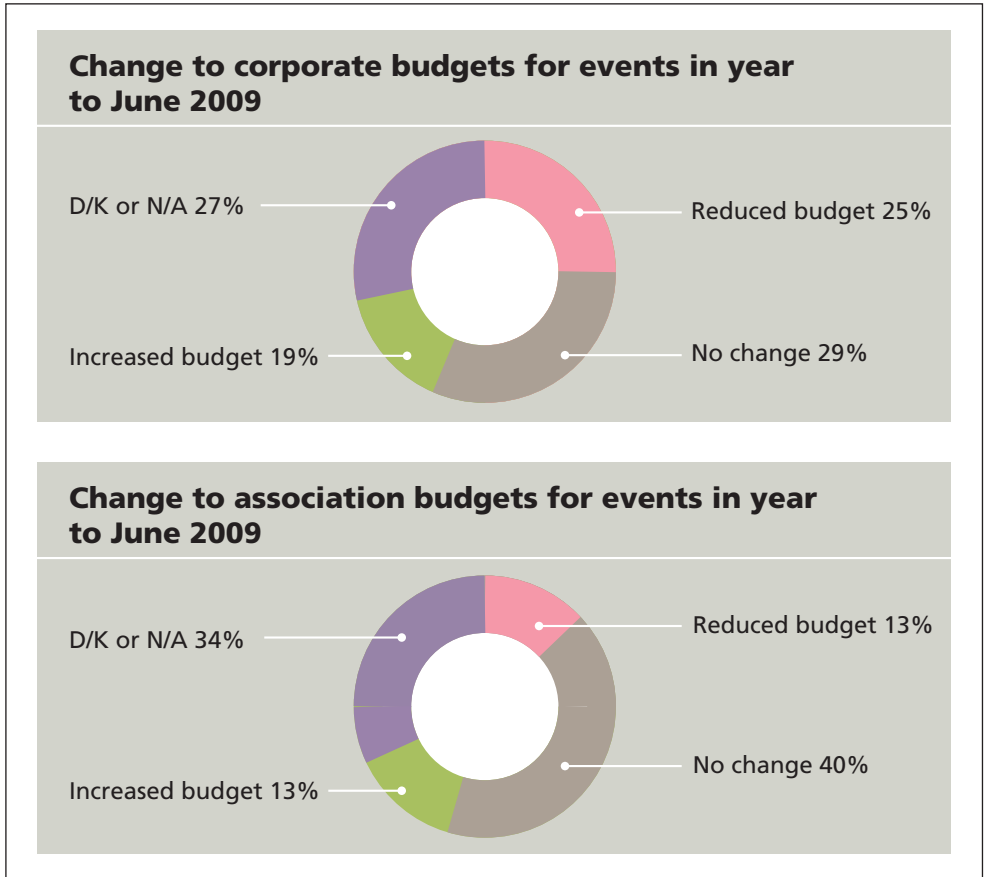


It isn't all good news but it's all fascinating. Martin Lewis reads between the lines of the British Meetings & Events Industry Survey

The British Meetings & Events Industry Survey produced some of the results we feared and some we didn't dare hope for. Notable among the latter was the rise in budgets in the association sector in the past year. True, it was only by half a percentage point but that constitutes a green shoot in most people's language. But overall both sectors' budgets are down since 2007, the year of the last



D/K = Don't know; N/A = Not applicable

Corporate spend slashed again but association budgets grow

major industry survey, and they are beginning to conjoin – associations' average annual budget for meetings is £180,000 against the corporate budget of £209,000.

One of those results we feared was the downturn in the corporate sector – and just about every measurable statistic was pointing south: 33 per cent saw a reduction in the number of events, 22 per cent reported a reduction in the duration of their events and 26 per cent reported a reduction in the number of participants. While an estimate of the financial implications of all this would not be accurate, we can assume the overall spend in the corporate sector was drastically reduced – no wonder the agencies are hurting!

But here's where another surprise popped out of the survey: the number of third party agencies used by both sectors increased dramatically – 21

'Are corporates buying direct to save cash?'

per cent of associations and 28 per cent of corporate events are being organised with third party assistance. This is a serious increase on previous market research. Is this the impact the agencies were hoping for? Is this a cut-back of in-house organisers resulting in more business for the agency sector? It would seem so and it is certainly good news for agencies.

Another stunning result was the number of corporates that have used overseas destinations for events in the past year – an amazing 47 per cent! This is a much higher number than ever recorded in previous surveys and, despite the size and profile of the sample of the major corporate organisations who participated in the survey, this was very surprising. It also varies from the results of the Trends & Spends Survey carried out among agencies. This can only mean many more are buying direct than was

previously believed and it's easy to do when you see the list of most-used destinations – Ireland, Germany, France and Spain. Is this a threat for the agencies? Are they being overlooked because corporates believe they can save cash?

Remarkably the percentage of residential meetings remained relatively high – 37 per cent of corporate events and 27 per cent of association events included at least one overnight, a blessing for the hotel sector. But most of the good news was confined to the not-for-profit sector. This included some international associations based in the UK but in general these were UK associations, societies and professional bodies and this group shows extraordinary resilience – only 17 per cent reported a reduction in the number of events while 11 per cent reported meetings of a shorter duration.

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A couple of modern myths were also exploded: booking incentives don't work for the end-user community and venue brands don't matter a fig to this audience. When asked what are the key factors in venue selection decisions, a 'recognised brand' was named least important of 17 key factors (followed by leisure facilities). Location and price are still way out in front and in that order. And when it comes to booking incentives offered by venues, more than 75 per cent of both sectors prefer added value items in the event itself to gifts or awards. And if you thought a celebrity speaker is critical to the success of an event, you'd be at odds with the vast majority of organisers who named this as the least important contributor to a successful event.

Voted most important issue for a successful conference was relevant content - by 65 per cent in both categories - so some things don't change, but it seems this awareness has been a long time coming.

More recent has been the movement towards the use of technology and the past year has seen a leap of faith with 57-plus per cent using meetings or delegate management software and an amazing 59 per cent of associations using the internet to source venues.

To purchase the full version of this survey, go to www.meetpie.com/bmeis

The British Meetings and Events Industry Survey (BMEIS) 2009

provides invaluable research into the buying trends of 600 organisers of events from the corporate and not-for-profit-sectors. The results are based on online completions or telephone interviews during July and August 2009, carried out by The Right Solution, with conference and event organisers from:

- 300 national (UK) associations or not-for-profit organisations
- 300 corporate organisations

The survey is sponsored by:

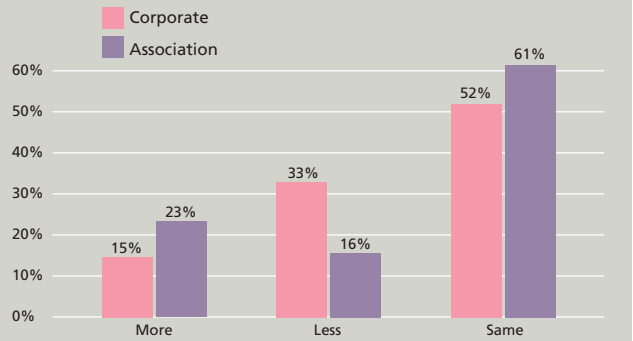
- Visit Britain
- Confex Group (CMP)
- Jersey Conference Bureau
- The Scottish Exhibition + Conference Centre
- Visit London

'Location and price are still way out in front'

What the results tell us:

- Buyers reject venues' booking incentives
- Procurement increases for both sectors
- 47 per cent of corporates used overseas destinations
- Hotel brands irrelevant in venue selection - location/price still top
- Use of third party agencies grows
- Venue cancellation policies rise in importance
- CSR and ROI take a back seat as recession bites
- London stays top destination - Birmingham and Manchester vie for second
- Ireland top overseas destination for UK organisers, Germany second
- Technology use leaps as 48 per cent of corporates go 'virtual'
- Speakers and presenters 'least important' ingredient for successful events

Number of events, Year from July 2008 to June 2009



Number of events forecast 2010 vs. 2009



Issues contributing to a successful event

