

EVENTS ARE

GREAT

BRITAIN

A report on the
size and value of
Britain's events
industry, its
characteristics,
trends,
opportunities
and key issues



Business Visits & Events Partnership

CONNECTING BRITAIN'S EVENTS INDUSTRY



EVENTS ARE

GREAT

BRITAIN

HOME TO WORLD-CLASS FESTIVALS,
SPORTING OCCASIONS, BUSINESS
CONFERENCES AND TRADE EXHIBITIONS





Onto a winner!

The 2012 Olympic and Paralympic Games illustrated Britain's unrivalled expertise in staging a world class event, utilising unique skills in innovation, creativity, logistical planning and presentation.

The 2012 Games showed off Britain's array of unique venues, its iconic destinations, its organisational strengths and the ability to fuse a sporting event with opportunities to highlight trade and export opportunities and drive tourism activity.

Britain has one of the best developed infrastructures of destinations, venues and service suppliers in the world, offering a depth of facility and expertise to ensure the successful staging of events and a guarantee of a memorable experience for those attending them. Servicing business visitors and delivering world-class events also means providing stimulating careers and employment opportunities. Some 530,000 people are estimated to be working in the sector.

The powerful outcomes from the 2012 Games must not be seen as simply a one-off benefit of a once-in-a-lifetime event. Every day, throughout Britain, meetings, conferences, exhibitions, trade fairs, outdoor events, incentive travel programmes, corporate hospitality, cultural and sporting events and festivals are being held. Through the skills of Britain's event organising companies, some of the

highest-profile events in the world - from major industrial, political, commercial, medical, scientific and educational conferences and trade exhibitions to leading edge motivational, cultural, sporting and music events - are designed and staged. Britain's event businesses are in high demand to deliver more trade and exports, increase knowledge, grow cultural appreciation and enrich the visitor economy.

So now is the time to build on the successes and experiences of 2012, by fully recognising the contribution business and leisure events make to the vitality of the country's economy and their positive effect on local communities and people's lifestyles. Events enhance community cohesion, swell civic pride and shape destination identity by providing a strong local focus and a vibrant communal environment.

This update of the 'Britain for Events' report once again highlights the scope and characteristics of the sector's various segments. It identifies trends, opportunities, key issues and challenges which, if overcome, will advance Britain's position as the leading destination for world-class events and that of its event businesses as the leaders in offering their impressive services around the world.

The report is prepared by the Business Visits and Events Partnership, which brings together the leading industry organisations

to identify the benefits of business and leisure events, encourage best practice, favourable policies and new initiatives that will develop the sector's potential in a highly competitive global market place. The report also underpins the work of the industry-wide 'Britain for Events' campaign, which positions Britain as the destination of choice for world-class events.

Events in Britain embrace every part of Britain's economy and enhance its natural assets. That's why this report complements the government's GREAT campaign. It demonstrates that events permeate every aspect of Britain commercial and cultural landscape and underlines the GREAT campaign message that Britain is a GREAT place in which to do business, to learn and to take part in GREAT business and cultural experiences. Events in Britain provide the platform for Britain to showcase itself to the world.

The 2012 Games proved that Britain is onto a winner when it backs its Events businesses. Continued backing of these businesses will secure even more medals for Britain.

Michael Hirst OBE
Chair - Business Visits & Events Partnership



Executive Summary

The UK events industry is worth £39.1 billion



Events account for 35% of the UK visitor economy

Events have so much to offer UK plc. They support the industrial strategy of the UK by positioning Britain as a centre of commerce, attracting companies and industries to do business in our country. They are also an ever-increasing export opportunity as they grow into new territories, creating inward investment opportunities, selling UK skills, expertise and products abroad.



The events industry contributes to exports, inward investment, infrastructure development, cultural appreciation, civic and national pride and community cohesion, to the shaping of destination identity, creative enterprise, innovation, knowledge transfer, professional development, and tourism

Festivals, consumer shows, sporting events and other cultural and music events all help to animate destinations which, in turn, drives more tourism, more business

visitors and investors, and students wishing to come to the UK to study.

As an industry, events lead to the employment of some 530,000 people from apprenticeship level upwards. They stimulate thought leadership through the sharing of knowledge, research and intelligence that progresses scientific and technological understanding and innovation. They also bring communities together, whether they are united by a common geography, interest, cause or belief.

Finally, events attract international audiences to the UK, who buy our products and services and, in many cases, return with their families boosting and complementing the UK tourism industry.

However, in a hugely competitive world with competition for events business continually growing, it is vital that the UK continues to show

a real hunger and drive to win events, and to ensure that, having done so, events taking place on our shores are given a warm and memorable welcome, one that will inspire both the organisers and the attendees to return to the UK again and again.

The Economic Dimensions of Britain's Events Sector

The sector is worth £39.1 billion to the UK economy in terms of direct spend by event delegates, attendees and organisers. A substantially higher figure is achieved once the wider economic impacts (indirect and induced spend plus accompanying persons' spend) are included. The table provides best estimates for the value to the visitor economy of the discrete segments that comprise the overall events sector in respect of their direct spend.

The Value of Britain's Events Sector – direct spend by segment

- Conferences and meetings – £19.9 billion*
- Exhibitions and trade fairs – £11.0 billion*
- Incentive travel and performance improvement – £1.2 billion**
- Corporate hospitality and corporate events – £1.2 billion**
- Outdoor events – £1.1 billion**
- Festivals and cultural events – £1.1 billion**
- Music events – £1.3 billion*
- Sporting events – £2.3 billion**

Total= £39.1 billion

*based on new research; **based on previous research estimates

+ the figure for sporting events is the estimated spend by inbound visitors to Britain to play in and watch sporting events in 2008

This total does not include spend of £7.7 billion by those accompanying attendees at business events (source: UK Economic Impact Study 2013)



The spend by those accompanying attendees at business events is worth an additional £7.7 billion



The conferences, meetings, incentives and exhibitions segments contributed a total of £21 billion to government tax revenues in 2011, accounting for 3.6 per cent of UK tax revenues in that year*

Enterprise and Employment

There are over 25,000 businesses in the sector including event organisers, venues, destination marketing organisations (DMOs), destination management companies (DMCs), exhibition contractors, event production companies, and a whole plethora of suppliers: transport operators, telecommunications and IT companies, interpreters and translators, speciality caterers, event insurance specialists, and many others.

Events offer a rich diversity of jobs and employment opportunities, from apprenticeship level upwards, both skilled and less skilled, for the young as well as the more mature, male and female - including many opportunities for volunteering and stewarding. The best estimates are that the sector sustains 530,000 full-time equivalent (FTE) jobs, mostly in small and medium-sized enterprises (SMEs).



The events sector is served by 25,000 businesses employing 530,000 people

Export Earnings

Events and exhibitions are important not just for the national benefits of expenditure generated and jobs created and sustained through activity here in the UK, but also for the 'invisible' benefits of their export earnings potential. Many of the leading exhibition organising companies operating globally are UK companies. Additionally the UK's skills and expertise in the design of stands and content (digital media, film, technical exhibitory) are world-leading, leading the world in the development of cutting edge, business-to-business (B2B) and business-to-consumer (B2C) exhibitions and trade fairs.

A significant proportion of the trade transacted at UK exhibitions is export-related. The profits generated from staging events across the world also return significant export income to UK Plc.



The top 10 leading event agencies in the UK have a turnover of more than £2 billion, much of which is generated outside the UK

Investment

Britain has an excellent track record of investing in its event facilities and supporting infrastructure.



Over £1 billion of new infrastructure investment is being stimulated by events

In addition to large-scale projects providing new facilities and venues, there are also sizeable opportunities to be derived from the proposed improvements in regional rail connectivity and increased airport capacity.

Yet there is still a lack of large-scale integrated hotel and meeting facilities, such as they have in the USA and the Far East, putting the UK at a disadvantage when bidding for some of the large conventions.

* based on a contribution of £58.4 billion to GDP by business events in 2011 (source: 'UK Economic Impact Study 2013' - see Chapter 1 for more details)



Event Social Impacts

The benefits of meetings and events are not just economic. Meetings and events have other positive impacts on society, contributing to health and wellbeing, education, social diversity, community spirit and cohesion, and civic pride. Events help to foster diversity in our local culture and heritage, providing opportunities for further destination expansion and growth.



Major cultural events are recognised as significant drivers of national and regional performance, of physical and social regeneration and of cultural development

The Legacy of the 2012 Olympic and Paralympic Games

The Olympic and Paralympic Games are estimated to be worth some £2.3 billion to UK tourism over the period 2007-2017, generating an additional 20 per cent of expenditure from business and incentive groups visiting the Games, holding meetings and special events and extending their stay around Britain, equivalent to over £500 million.

Britain has met a four-year target to raise more than £11 billion of economic benefit from the London Olympic and Paralympic Games in just over a year. The figure includes almost £6 billion in additional sales

and £2.7 billion from foreign direct investment.

About £130 million was raised through contracts won by British companies for the Brazil 2014 World Cup and the Rio de Janeiro 2016 Olympic and Paralympic Games on the back of their experience of working at the London Games.

The events industry has inherited a whole new set of event professionals that now have local, national and international experience and exposure under their belts. This has created a larger, more mobile professional skills pool, providing an international competitive advantage for exporting the creative and production skills of the UK's events industry.

Inbound Business Visits and Events



Inbound business visits to Britain equate to 23.5% of all visits and, at £4.4 billion, 24.4% of all spend

Inbound business visits in 2012 totalled 7.4 million, 2 per cent higher than in 2011 and the best since 2008. However, despite moving in the right direction since the nadir of inbound business trips in 2009, the volume and, in real terms, value of such visits remains roughly one-fifth lower than it was in 2006, when there were 9 million business trips worth £5.7 billion at today's prices.



International business travellers spend £611 per visit worth £4.4 billion annually – leisure visitors spend £583 per visit

Changing the Perceptions and Profile of Business Visits and Events

Meetings and conferences play a vital role in economic, professional and educational development. They should be thought of as a key component of the global knowledge economy, rather than as a branch of tourism.



Business events account for 30% of the UK visitor economy

Events are still essential to communicate, educate, inform, to enable networking, to motivate teams and to achieve business objectives. The task is to demonstrate the absolute value of the meetings and live events industry as a quantifiable investment, not a frivolous cost.



Corporate Meetings and Conferences



There are over 1.3 million meetings held in the UK each year

The resurgence of the wider UK economy has been accompanied by renewed growth in corporate meetings and conferences as companies recognise the importance of such events in reaching strategic business objectives and in communicating effectively with their employees, customers and partners worldwide.

While meetings will continue to experience financial pressure and need to demonstrate tangible value, new emergent industries (e.g. neuroscience, energy, biotech and nanotechnology) will require more events, whereas others (e.g. health, finance, pharma, government) may engage in fewer face-to-face meetings due to regulation and cost.

Association Events

There are opportunities to enhance the international aspects of UK association events by encouraging British associations to bid to host their international meeting counterpart. Recent research has highlighted that many international delegates attend UK association events - one, in particular, had a high percentage as the international delegates attending saw that CPD (continuing professional development) credits

from the UK were of more value than those from certain other parts of the world.



The UK is 4th in the global ICCA rankings for international association congresses

The UK has also led the world in developing conference ambassador programmes, a model now being replicated by many cities globally as a conduit to bid for and secure international association congresses.

Exhibitions and Experiential Events

Exhibitions play a vital role in the UK economy in generating exports. Many exhibitions held in the UK have established themselves as a strong base for international trade.

New technology is used to enhance, not replace, exhibitions, as there is no substitute for the face-to-face contact, customer interaction and the ability for the customer physically to feel, see, taste, smell, test and try the product.



UK exhibitions attract over 13 million visitors each year, generating £11.0 billion in spend

Exhibitions do more than just sell: they build product branding, strengthen existing customer relationships, produce high quality leads, educate, have applications for market research, generate media coverage and are often used to launch new products. Exhibitions play a vital role in the marketing mix offering a wide range of benefits.

Exhibitions provide a cost-effective competitive platform for small and medium-sized enterprises (SMEs) to promote and sell their products and services, enabling many SMEs to establish themselves in the marketplace and, through international visitor attendance at exhibitions, often providing SMEs with their first openings to export markets.



In 2010 over 265,000 exhibitors participated in events, 20% from outside the UK

The exhibition industry is continually endeavouring to increase the 'internationality' of its shows in order to enhance the opportunity for exhibitors to increase their export markets.



In 2010 exhibitors spent £2.7 billion on goods and services to demonstrate at events



Incentive Travel and Performance Improvement

Incentive travel is a well-established sector of business events and for international markets the UK is one of the most popular destinations. However, visitor numbers are greatly influenced year-on-year by the strength of the pound in relation to other currencies and by issues such as perceptions of security and the ease/cost of visa processing.

It is debatable whether incentive travel as a market segment will ever hit the dizzy heights of the 1990s when groups of 300-400 participants were not unusual, especially within the financial services sector. In these more austere and regulated times, the average group size is nearer 40-50 participants. It seems likely that the same, or similar, numbers of events will continue outbound from the UK but they will be marketed more as 'conferences' than pure incentives.

There is an enduring appeal to hosted, group travel as an incentive which suggests that this particular service will continue within certain niche markets and be serviced by specialist operators for some years to come. Growth is likely to come from unregulated markets such as electronics and IT rather than the former major sectors of pharmaceutical, financial services and automotive.

Corporate Hospitality and Corporate Events

In general, the corporate events and corporate hospitality market

remains robust despite some very negative media coverage of corporate 'excess' at a time of economic difficulty. The segment remains resilient and companies, even those in the financial services sector, still depend on corporate hospitality as a means of developing loyalty and increasing market share with their clients and as a core activity for rewarding and motivating their own staff.

Over the next five years, a series of major sporting and business events, both one-off and regularly occurring events including the Glasgow Commonwealth Games in 2014, the Rugby Union World Cup in 2015, Royal Ascot, Wimbledon, the Farnborough Airshow, will continue to offer important opportunities for corporate hospitality and corporate entertainment.

Outdoor Events

Outdoor events cover a breadth of activity from major festivals, music events, agricultural shows, sporting and charity events through to small village and craft events. From the beginning, outdoor events have drawn large gatherings whether local, national or international; and this is an increasing trend following the Olympics in 2012. The visitor from abroad is attracted to a myriad of events in the UK, many of them being steeped in tradition and history.



The UK is now recognised by Europe and the USA as a world leader in outdoor

events, with many UK companies exporting their expertise

The world of outdoor events has developed into a highly professional and quality standard industry made up of local authorities, show organisers, event management companies, promoters, venue owners, together with suppliers of equipment and services, and consultants.

Music Events and Festivals



6.5 million music tourists spend £1.3 billion annually

Major cultural events are recognised as significant drivers of national and regional performance, of physical and social regeneration and of cultural development. A range of annual festivals and promotional events showcase excellence in the creative industries and provide an iconic focus for the visitor economy, making Britain the natural destination choice and an international hub for world-class events.

'Music is an industry that is an international success story and we should go on backing it. It's not just the exports that it provides for this country. It's not just the people it employs in this country. It's the massive and growing music tourism, people coming to Britain to listen to great acts.'

(David Cameron, UK Prime Minister).



- **£2.2 billion – the total of direct and indirect spend generated by music tourism in 2012**
- **41 per cent – the proportion of live music audiences that are music tourists**
- **£657 – the average spend by overseas music tourists while in the UK**
- **24,251 – the number of full-time jobs sustained by music tourism**

The UK's music festivals and the extensive touring programmes of international acts attract massive overseas interest and foreign visitors to the UK. Alongside inbound tourists, many music lovers in the UK also travel long distances to watch their favourite bands and artists perform. This is international and domestic music tourism working - and working well.



Over 400 folk festivals take place in the UK annually worth over £100 million to local economies

Sporting Events

Sports tourism has been central to the growth in global travel and tourism during the new millennium. Sport also has a role to play in helping to address wider social issues encompassed by the millennium development goals. It can help to address gender inequality and assists with the development of life skills such

as leadership, decision making, organisational and management skills. Sport can also act as an effective medium for conveying educational messages relating to health issues such as HIV/AIDS awareness and malaria.

The economies of cities, regions and - in the case of mega events such as the Olympic Games or FIFA World Cup - entire countries are increasingly reliant on combining sport and tourism to jump-start economic and socio-economic change. Tourists engaged in sports tourism are high-spending, stay longer than other tourist categories, and often stimulate other forms of tourism. Their direct benefit to a destination is cash - their indirect benefit can be years of follow-on tourists.

Events Sector Suppliers

The event industry is hugely diverse and its requirement for suppliers covers an enormous breadth of professions, from staging and structures to water management and waste recycling.

This diversity of events, together with the unique demands of some venues particularly for outdoor events, has required the development of specialist skills in many areas and the UK industry is widely recognised as a world leader in some of these sectors.

By its nature the event industry tends to be highly entrepreneurial, which encourages innovation. However, the last decade has seen it also becoming increasingly professional in its approach with a great deal of time being devoted by event organisers and suppliers to developing professional standards across the market, from specialist guidelines for the erection of temporary structures and stages to information for those organising events such as the 'Purple Guide'.

Winning Business for Britain

a) The Ministerial Bid Support Initiative

The Ministerial Bid Support Initiative has an important role to play in demonstrating a more cohesive approach and in conveying crucial messages about how committed Britain is today to winning bids for major international events.

Access to Government ministerial support for major international congress bids is being coordinated through VisitEngland working closely with the Department for Culture, Media and Sport (DCMS). For further information: **www.visitengland.com/business**



b) UK Trade and Investment's Events Alliance

In July 2013 UK Trade and Investment (UKTI) published an outline strategy for the events sector including the Events Alliance initiative. UKTI will work with event organisers to increase the number of UK and overseas trade-related events supported by UK Trade and Investment from 75 to 300 core events over the succeeding 18 months. Core events are events which have major significance for the industry sector and are part of the annual UKTI programme. Further information: www.ukti.gov.uk

Quality, Standards and Sustainability

The events and meetings industry has truly embraced the concept of continuous improvement and made a clear commitment to raising quality standards. It is now accepted that opportunities to monitor and measure quality standards exist across all elements of events and meetings delivery, from initial contact to service, facilities, equipment, food and overall experience.



The 'AIM' (accredited in meetings) accreditation is driving the industry to become more competitive and accountable, deliver great value and help clients consistently achieve ROI

At an international level, there have already been a number of significant developments designed to integrate sustainability criteria and activities into a wide range of business events, including the publication of formal Standards to provide guidance on sustainable event management.



The UK-driven Green Standard ISO20121 has been exported around the world as a benchmark of best practice



The event industry's 'purple guide' puts the UK at the forefront of events health and safety worldwide

Education, Careers and Professional Development

Events industry trade associations have discussed better collaboration and initially identified two education-related activities that the industry could provide collaboratively: cross-industry internships and training programmes specifically with and for students; and better communication for both academics and students on the offerings of industry trade and professional associations through the creation of an online hub.

Education and continuing professional development (CPD) are essential to be ahead of the next new idea or technology - to be able to see the opportunities and benefits for events. Events could be leading the way in new design and not relying on film and theatre to do this for them. The opening and closing ceremonies of the Olympics and Paralympics 2012 demonstrated how the creative industries are as much a part of the events industry as of their own. Nurturing, developing and releasing these initiatives are what will keep British events GREAT.



The events sector creates engaging careers, for young and old, male and female, skilled and less skilled, across all cultures. It maximises a wide range of creative, technical and personal talents to produce inspirational and world-changing events

An Institute of Event Management is being established to provide an opportunity for individuals who already work or wish to work in the Events Sector to gain professional recognition and to enhance their profile, skills and knowledge. The aim is for the Institute to offer a route to professional development, accreditation of courses and a body of knowledge.



Working in Partnership

The Business Visits & Events Partnership is an umbrella organisation representing leading trade and professional organisations, government agencies and other significant influencers in the business visits and events sector.

The BVEP exists to:

- garner the cohesive opinion of these stakeholders and collectively influence and develop policies, practices and strategies that support and generate growth in the sector and,
- raise sector awareness through clear communications of the social and economic benefits of the business visits and events sector.

The Partnership seeks to provide a cohesive point of view for the entire business visits and events sector. The BVEP works with prominent sector leaders including its partners, government departments and agencies to influence and develop policies and practices favourable to the growth of business events, and trade and creative enterprise through business visits and events.

It has the support of the leading trade and professional organisations and government agencies with a shared interest in the economic benefit and growth of conferences, meetings, exhibitions, trade fairs, incentive travel, corporate hospitality, ceremonies, as well as other business, sporting, cultural and festival events.

- Association for Conferences and Events
- Association of British Professional Conference Organisers
- Association for Events Management Education
- Conference Centres of Excellence
- Eventia-IVCA
- Events Industry Alliance
- Events Industry Forum
- Hotel Booking Agents Association
- International Congress & Convention Association
- International Special Events Society
- London & Partners
- Meet in Ireland
- Meetings Industry Association
- Meeting Professionals International
- National Outdoor Events Association
- Northern Ireland Tourist Board
- Professional Convention Management Association
- Tourism Ireland
- VisitEngland
- VisitScotland
- Visit Wales
- Supporting Government Bodies:
 - Department for Culture, Media & Sport
 - UK Trade & Investment
 - VisitBritain

Access to full information on BVEP and its partner organisations, and to the full 'Events Are GREAT Britain' report, is via the website:

www.businessvisitsandeventspartnership.com

2014

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