



mia

meetings industry association

mia Insights

**February
2023**

Executive Summary

Our latest survey, conducted in January 2023, reflects the response of **126 professionals** representing organisations within the business meetings and events sector, with almost 6 in 10 (**59%**) representing an event venue and 4 in 10 (**41%**) an event supplier.

From our findings we can see that there has been a positive recovery from most of the sector. Despite this, there remains clear externalities that are threatening these recovery forecasts, including the significant impact of recent industrial strikes, the cost of living crisis and ongoing recruitment challenges.

Our research continues to reinforce our understanding of the necessary support the sector needs, while informing government departments on its wellbeing and any attention it may require. I would like to thank those that have contributed in the development of this report, which is essential in ensuring our sector gets the representation and recognition it needs.

Kerrin MacPhie
Chief Executive, The mia

Headline Findings

- ✓ Two-thirds (**66%**) of respondents state that **forecasted revenue** for 2023 is more than the revenue they forecasted for 2022.
- ✓ More than half of respondents (**59%**) revealed that **confirmed bookings** for 2023 are the same if not more than confirmed bookings for 2019 as of 1 January 2019.
- ✓ Almost all (**94%**) respondents have been negatively impacted by recent **rail strikes**, costing the sector over **£337 million** in **cancelled business**.
- ✓ More than three-quarters (**76%**) of organisations have **increased their prices** to combat rising energy costs.
- ✓ Three-quarters of organisation's (**75%**) currently have **staff vacancies**, with just over half (**53%**) understaffed.
- ✓ 9 in 10 organisations (**91%**) list **sustainability** as a key part of their business strategy, with almost three-quarters (**73%**) holding measurable sustainable targets.

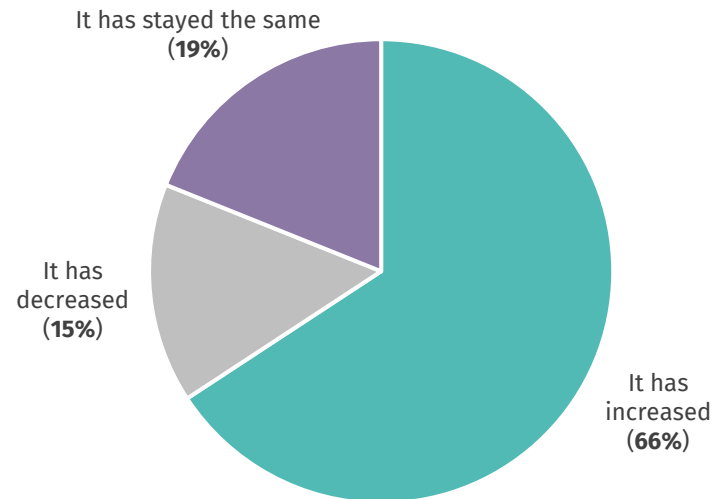
Forecasts & Bookings

Demonstrating optimism and positive movement in the sector's recovery, two-thirds (**66%**) of organisations forecasted greater revenue for 2023 compared to 2022, averaging an increase of **30%**.

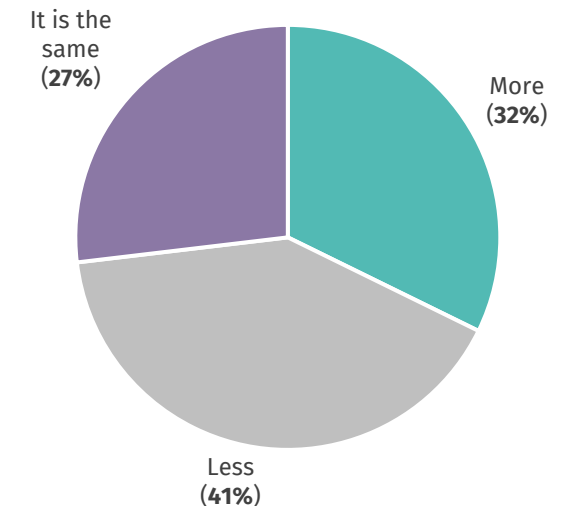
Despite such optimism, demand remains down on pre-COVID levels for most, with **41%** of organisations witnessing a decrease in confirmed business for the year ahead compared to that of 2019. Of those experiencing this reduction, the average decline in confirmed bookings is **33%**.

By comparison, almost one third (**32%**) of organisations have recorded more business for the year ahead compared to that of 2019, showcasing a large deviation in the recovery rate of organisations operating within the sector.

How does your forecasted revenue for 2023 compare to the revenue you forecasted for 2022?



As of 1 Jan 2023, is your confirmed business for the year more or less than it was for the year ahead as of 1 Jan 2019?



Forecasts & Bookings

“2022 was to be the year that the sector bounced back better, and despite having a slow start due to government messaging, events picked up and continued to recover well throughout the year.

“It is positive to see that confirmed business appears buoyant and even surpasses 2019 levels in cases. We are continuing to see highly compressed lead times, with decision-making and planning often taking place over a matter of weeks - or even days in some instances. This is mirroring the package holiday industry, for example, whereby bookings are being made seven days in advance as opposed to seven months ahead.

“Although short lead times inevitably create challenges for the sector, we are continuing to demonstrate how flexible and adaptive we are in the face of continually evolving conditions.”

Charles Sargeant

Vice Chair, The mia

Managing Director, Whittlebury Park



Strikes

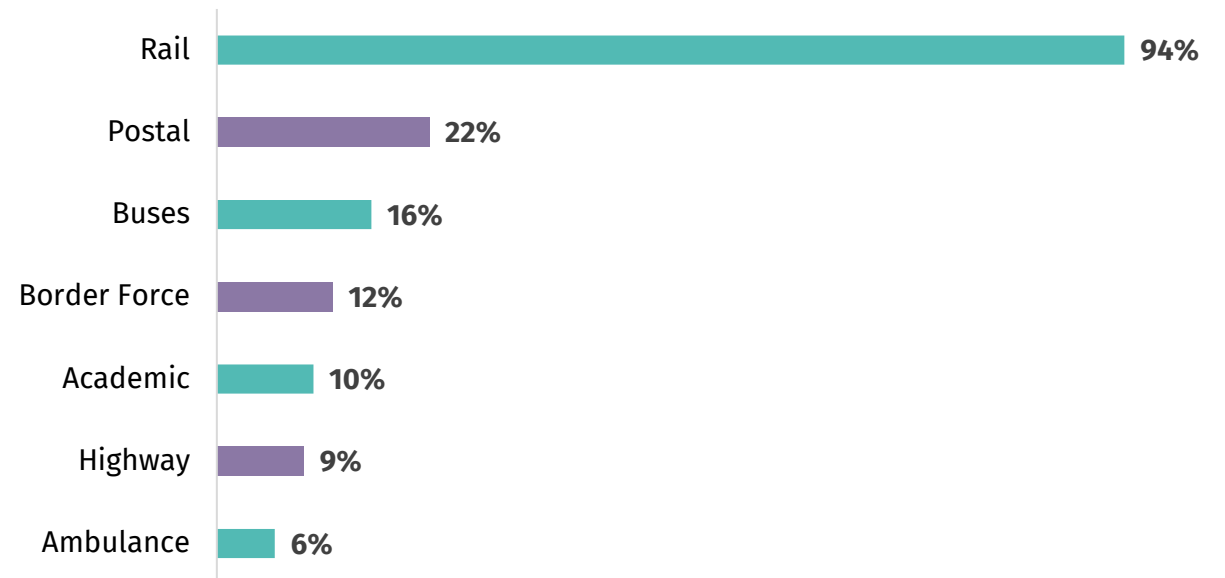
Challenging the sector's forecasts and the recovery of consumer confidence, almost all (94%) organisations have been negatively impacted by rail strikes.

From this survey alone, the estimated value of cancelled business totals over **£4.5 million**, while the estimated value of postponed business exceeds **£7.4 million**.

While time-sensitive cancellations can't be recouped, over a third (36%) of organisations are offering alternative dates free of charge in a bid to protect vital revenue, while almost 1 in 5 (18%) are offering one free date change.

Beyond the financial repercussions, most organisations (60%) stress that ongoing strikes are affecting booking confidence once more, echoing uncertainties of recent years that have threatened demand.

Percentage of respondents negatively impacted by the following strike action



Strikes

£337,326,277*

Total estimated value of **cancelled** business due to **rail strikes**

£96,378

Average organisations' estimated value of **cancelled** business due to **rail strikes**

£552,125,000*

Total estimated value of **postponed** business due to **rail strikes**

£157,750

Average organisations' estimated value of **postponed** business due to **rail strikes**

**Scaled up to reflect 3,500
sector organisations*

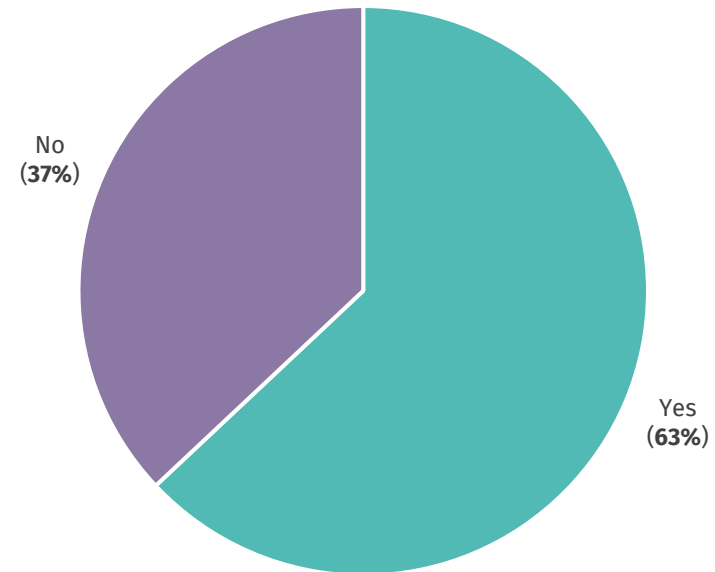
Commission

In a bid to incentivise longer-term bookings and secure future revenue, three quarters (**75%**) of responding organisation's currently offer preferential rates for multi-year and multi-event deals.

When reviewing best practice for negotiations, timelines and confirmation of commission, more than half (**55%**) utilise beam's code of practice when managing their approach to commission.

Almost two thirds (**63%**) pay a fixed rate of commission, with half of organisations (**50%**) enhancing their rate of commission for full-service agencies.

Do you offer a fixed rate of commission?



Commission

“Commission is an integral part of the remuneration process for many suppliers in the sector. It is therefore refreshing to see that venues recognise both the need to have open and robust commission policies in place and the work that is being done by agents.

“The new world means we now support many new event planners who may never have organised an event in the last two years and venue teams who are equally new and learning on the job. Our work as agents has trebled as our industry is retuning to a new norm.

“The supply chain that exists to deliver the link between the buyers and venues has never been more important as agent's invest in technology to deliver transparent processes to support spend management and the risk and corporate governance, which is now a basic requirement for any large company that has a robust live event need.

“I foresee more recognition for commission contracts at the time of enquiry and thus more opportunity for these venues who really want to engage with the agency sector in a very professional way.”

Jacqui Kavanagh
CEO, EDGE Venues



Commission



“These latest results reveal there is not one simple approach to commissions. Relationships play a vital role in that, if you have a strong relationship, you will use a venue or group regularly.

“The preferential rates we are seeing for multi-events and multi-year deals confirms that relationships and partnerships are important for both sides and help our mutual clients too.

“We have seen some brands and venues incentivise commission or reduce rates on proposals to close deals and get a booking contracted. This method does highlight the venue’s commitment to the client’s business and does get business secured.

“Having beam’s code of practice is useful to rely on for support and compliance, it’s a shame that more people (45%) aren’t using it for leverage.”

Laura Dudley

Head of Account Management, arrangeMY

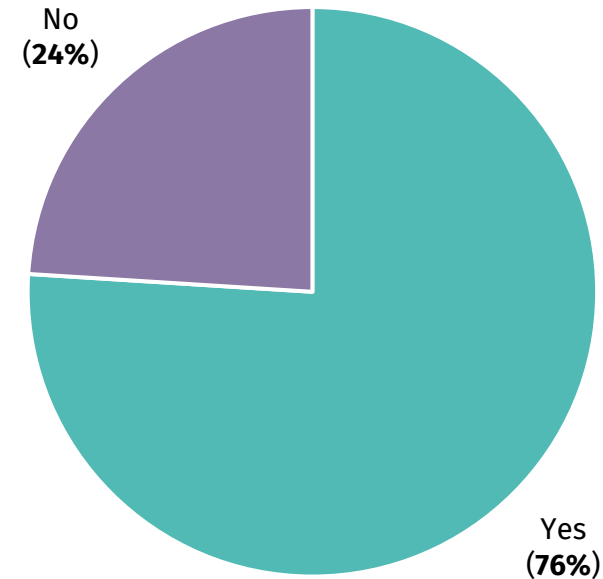
Costs

The cost of living crisis remains one of the sector's most pertinent challenges, with 8 in 10 (**81%**) experiencing increased costs in the last six months.

To counteract such increases, which average a significant **13%** per organisation, more than three quarters (**76%**) have increased their prices to compensate.

These price increases average a rise of **11%** per organisation, with 7 in 10 (**70%**) increasing F&B prices, 6 in 10 (**62%**) increasing DDR and 5 in 10 (58%) increasing room hire rates.

Have you increased your prices to mitigate increased energy costs?



Costs

“The findings come as no surprise given the high inflation we are experiencing. The great value venues have offered over the years, means prices have had to rise to cover the operating costs; there simply isn’t any excess margin available to cover this without passing some of the cost on to our clients.

“With our teams rightly receiving substantial pay rises to maintain their standard of living, unless additional workers enter/re-enter the UK labour market then inflation will remain high and prices will continue rising, which ultimately benefits no one. Supply of available labour is without doubt the bigger challenge here, which is manifesting in the results being displayed.”

Steve Jones
Chairman, The mia
Managing Director, Wyboston Lakes Resort



Staffing

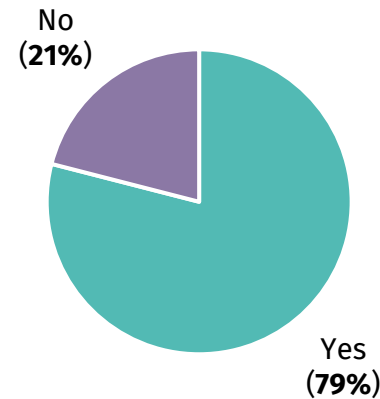
With more than half (**53%**) of organisations stating that they're currently understaffed, it comes as no surprise that almost 8 in 10 (**79%**) currently have live vacancies.

Recruitment remains a key challenge for the sector, with the depleted workforce and reduced pool of available candidates well-documented. Concerningly and consequentially, almost half (**47%**) of organisations have had to reduce their service as a result of staff shortages.

Staffing challenges aren't just internal, as 7 in 10 (**70%**) organisations recognise staff shortages within their supply chain impacting their operations.

Amidst these challenges, 7 in 10 (**70%**) state that they would consider employing apprentices, however currently just over a quarter of organisations (**28%**) in fact do.

Does your organisation currently have any staff vacancies?



Have you had to reduce your service as a result of staff shortages?



Staffing

“Over the last year, recruitment has been a particular challenge for the entire industry and we have also experienced a drop in the volume of candidates available per role, which has been a particular issue for us as our business grows. With people looking for stability in the current economic landscape and cost of living crisis, I’m not surprised that organisations are understaffed and more needs to be done to highlight the opportunities, diverse skills set required and career prospects within the event industry.”

Carlo Zoccali
Venue Director, Farnborough International



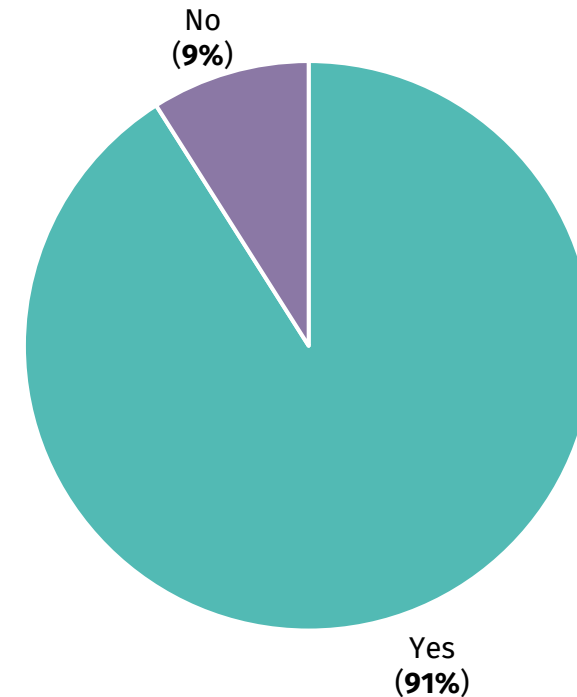
Sustainability

Sustainability has been a topic of intense interest within the sector for several years, so it comes as no surprise that 9 in 10 (**91%**) organisations list it as a key part of their business strategy.

To support this agenda and avoid greenwashing, almost three quarters (**73%**) now have measurable targets to manage its sustainability initiatives and demonstrate legitimate, credible action. Further reinforcing these efforts, more than half (**59%**) recognise sustainability accreditations as a key part of their strategy.

Our findings demonstrate a clear organisational focus on the 'planet' pillar of sustainability, as almost all (**91%**) of those with sustainable targets doing so in waste management. By comparison, the 'people' pillar doesn't receive as strong a level of attention, with one third (**33%**) not currently holding a dedicated well-being and mental health strategy.

Is sustainability a key part of your organisation's business strategy?



Sustainability

“It’s great to see 9/10 business considering sustainability as a key part of their strategy - it makes you wonder what the other 10% are waiting for! It’s also encouraging to see that measurable targets are in place for almost three quarters of these business, and hopefully we’ll see this number tick upwards closer to that 91% mark in the very near future.

“An environmental strategy needs both near and long-term KPIs and should have a central focus on reducing negative impact. I think over the next 18-24 months we’ll see water conservation and renewable energy targets across more business as these become a strategic response for stability in the face of ongoing geopolitical and environmental turbulence.”

Anna Abdelnoor
CEO, isla



Providing support



“Recognising how the sector is evolving, here at the mia we’re similarly ensuring our strategy remains agile and continues to meet the ever-changing needs and provides both support and education.

“As we continue our mission to drive standards and best practice, we remain focused on delivering timely events, guidance and resources on key issues including recruitment and retention, employee welfare, sustainability and more.

“Our support also includes further enhancing our member benefits and amplifying AIM accreditation as well as offering new strategic partnerships and initiatives that provide direction and protection for the sector.

“As we finalise these developments to share with you soon, these latest research findings are paramount to reinforce our understanding of the needs and the priorities of the sector.”

Sandra Eyre
Director of Business Development, The mia



CONTACT INFORMATION

To learn more about joining the mia – the UK’s leading association for the business meetings and events industry, please get in touch. We’d love to hear from you.

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E-mail: membershipsupport@mia-uk.org