THE GLOBAL MEETINGS & EVENTS EXPO

IBTM Meetings Industry Report 2013

Europe Focus

In association with:

THE RIGHT SOLUTION LIMITED
Conference Venue & Destination Development Specialists

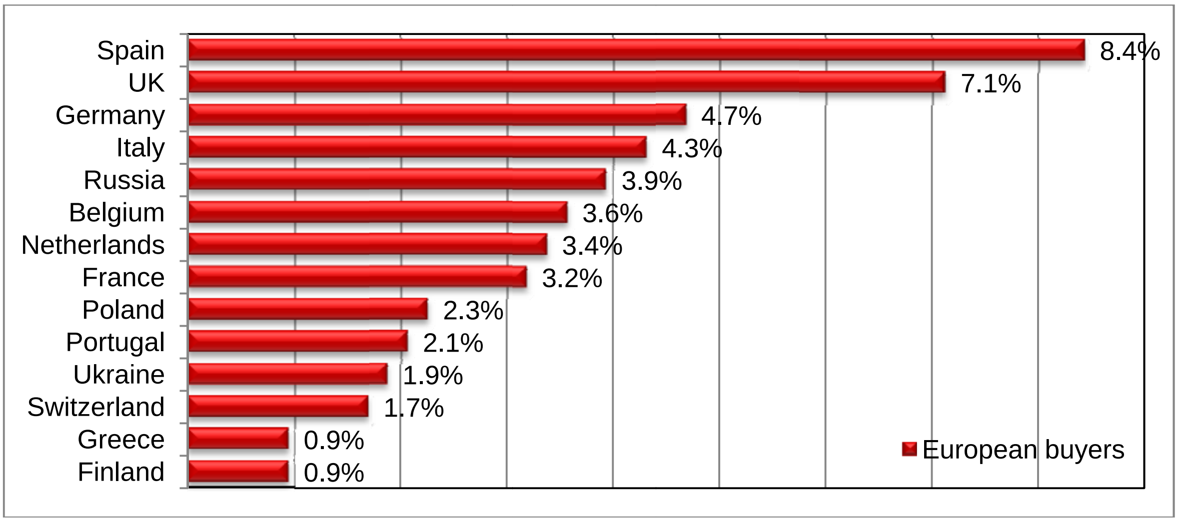
Research results

Respondent characteristics

The key characteristics of the respondents for this survey are shown below. 535 buyers and 167 suppliers responded as those holding or hosting events in Europe. The buyers were based in a total of 26 European countries with the top ten European countries for generating respondents shown below. In addition buyers in the US, Asia, Australia Pacific, GMENA and Africa (in order of highest volume generated) were also holding events in European countries. The research illustrates just how strong the flow of inbound and outbound business is for Europe, with the impact of economic problems in the Euro zone and elsewhere in recent years beginning to wane.

Number of respondents	
Buyers	535
Suppliers	167

European Countries with most buyer respondents

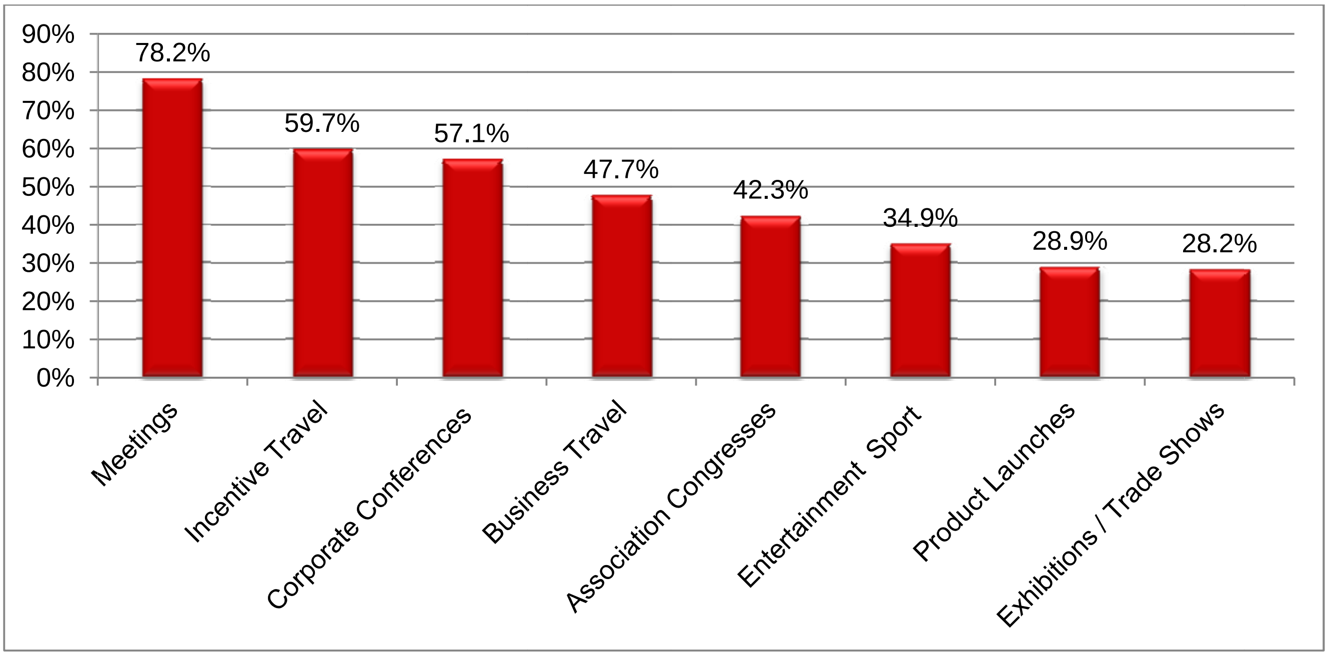


Buyer respondent types	
Agency/Third Party	72%
Corporate	16%
Not for Profit/Association	9%
Other	3%

Supplier respondents were from hotels, conference venues, convention bureaus, DMCs, National tourist organisations, transport and technology providers and media.
Clearly the results are influenced by the proportion of respondents from third party companies and the countries in which they are based. However they remain an interesting illustration of the current inbound/outbound market in Europe.

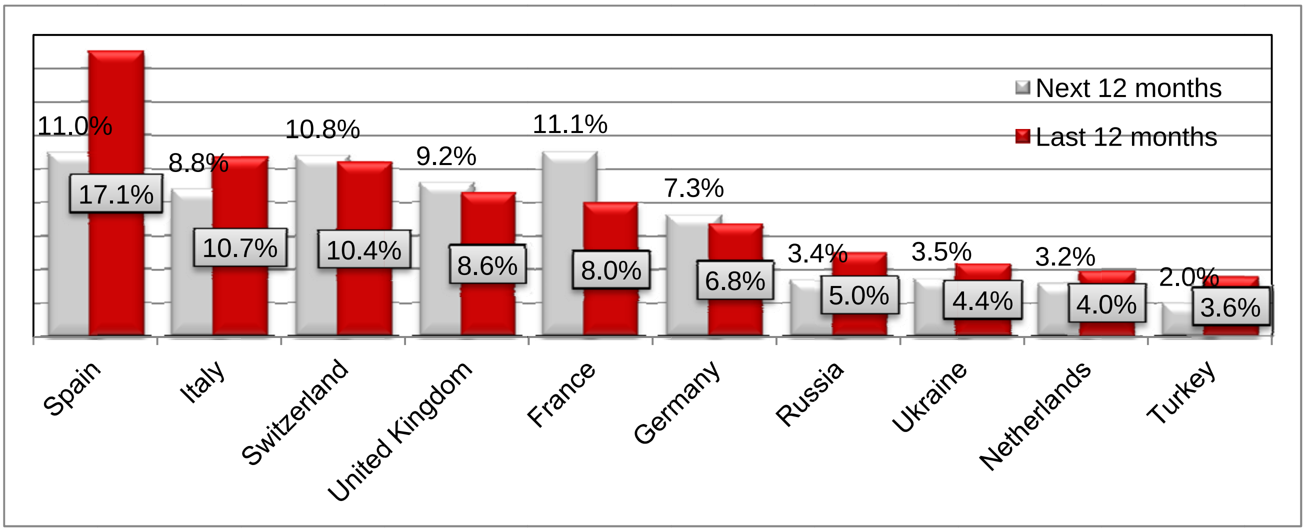
Buyers Results - Number and types of events

European buyer respondents organised an average of 23 events each over the last twelve months increasing to 25 for the next twelve months. The most popular types of events being organised are as shown in the chart below. In addition 12% said they organised other events which included awards ceremonies, PR promotions, fashion shows, training and team building.



Countries with highest volume and value of events

The average spend per buyer on all events in Europe was US$ 1.13 million (844,514 Euros). Buyers' top ten countries for events in Europe by volume of events held for the last twelve months and those forecast for the next twelve months (as at October 2013) are shown below. Since last year Ukraine has taken a position in the top ten and Switzerland is in a much higher position.



When analysed by the average annual spend for buyers, rather than volume of events, the results change slightly with greater value of business being spent in Sweden and Poland.

Outbound from Europe

It is interesting to see that the buyers based in Europe are also taking large amounts of business outside Europe. The percentage of buyers holding events in regions outside Europe as follows:

Region	Percentage of buyers holding events there
Asia	35%
Americas	43%
Africa	19%
Australia Pacific	9%
GMENA (Middle East)	32%

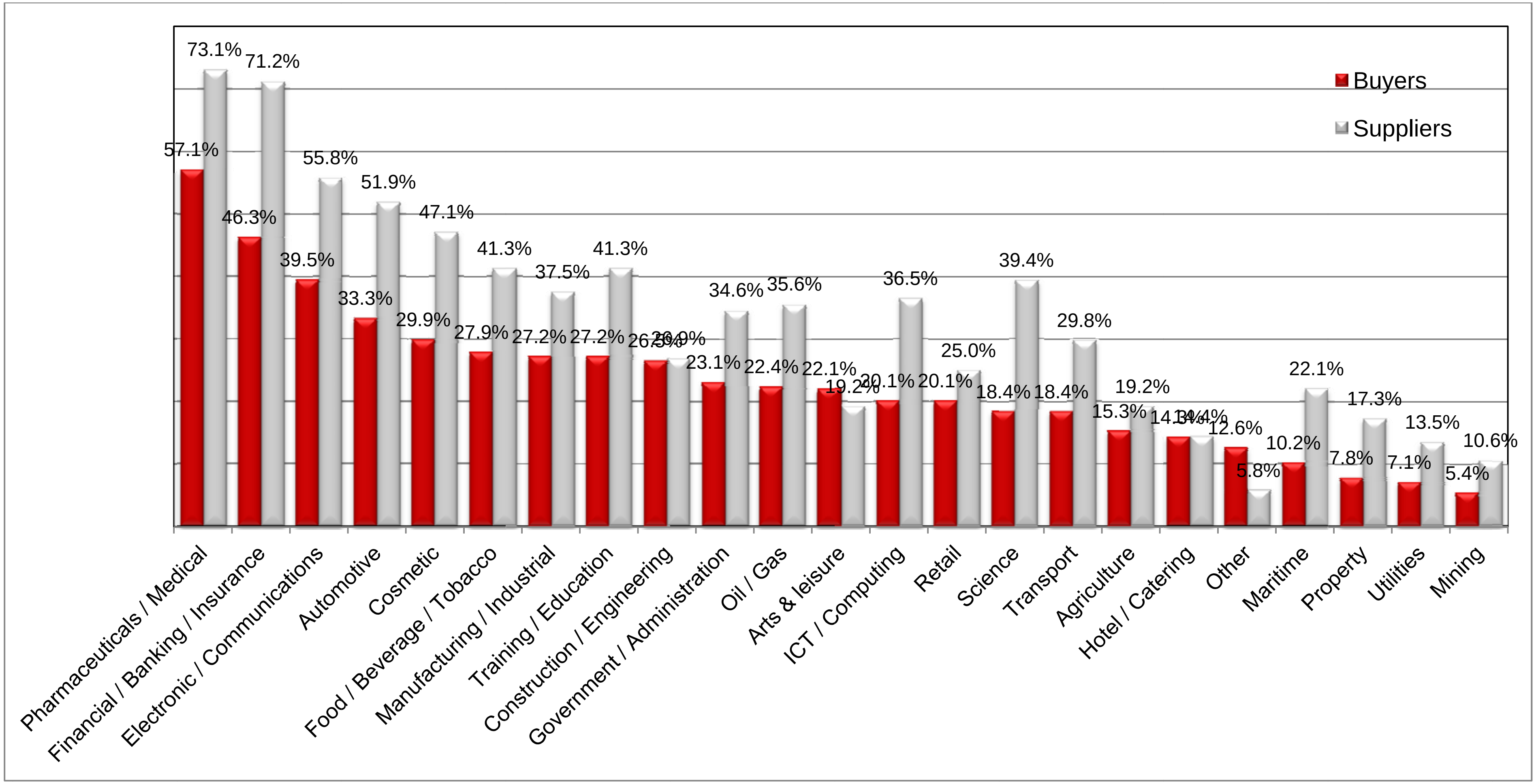
Origin of attendees

The top ten countries of origin for delegates attending events in Europe are shown overleaf. It is interesting to see Russia and the USA both appearing here. Beyond the countries listed here the other regions generating delegates travelling to events in Europe were Asia, the Gulf/Middle East, South and Central America, Australia Pacific and South Africa illustrating the need for frequent international air routes for meetings destinations and the increasing reach of marketing for events (with social media impacting this as can be seen in later results in this report).

1. Germany
2. Spain
3. UK
4. Italy
5. France
6. Russia
7. Netherlands
8. USA
9. Belgium
10. Poland

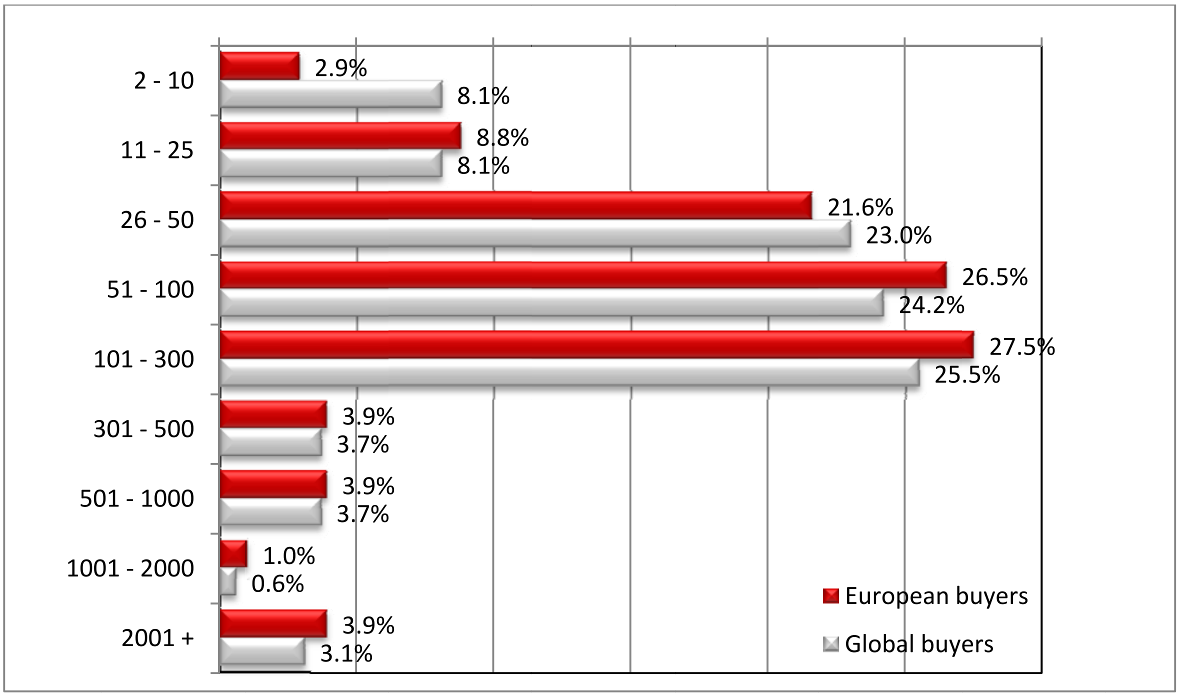
Industry sectors

The chart below outlines the top industry sectors for both buyers and suppliers revealing slight variations when it comes to training/education; government/administration; oil/gas; ICT/computing and Science, all of which produce more events for suppliers than buyers. .



Size of events- number of attendees

The chart below shows the different size of events being organised with many more for up to 300 delegates than larger numbers. The average size for all respondents was 136 attendees.



It is encouraging to note that 21% of global buyers had experienced increases in European attendee numbers over the last twelve months, 65% said numbers were the same and only 14% of buyers had experienced fewer attendees at their events. For many, particularly at corporate events, when higher numbers of events are being organised without matched increased budgets, delegate numbers have to be limited to those who really need to attend.

Market conditions

European buyers definitely appear more optimistic. 54% said conference and events business in Europe will increase in the next 12 months, 36% said it will stay the same and 10% said it will decrease. This increased to 57% who are predicting an increase for their own events in the next twelve months. However this optimism is not so strong for budgets, with 39% predicting budget increases for the next year. Despite this, for those who had reported changes in budgets, the average changes reported by buyers were +2% for last year and average forecast for next year is +9.4%.

Indicate how the following will or have changed for your events in Europe

	Increase	Same	Decrease
Number of events in the LAST 12 months	**44.8%**	41.6%	13.6%
Number of events in the NEXT 12 months	**56.6%**	36.5%	6.9%

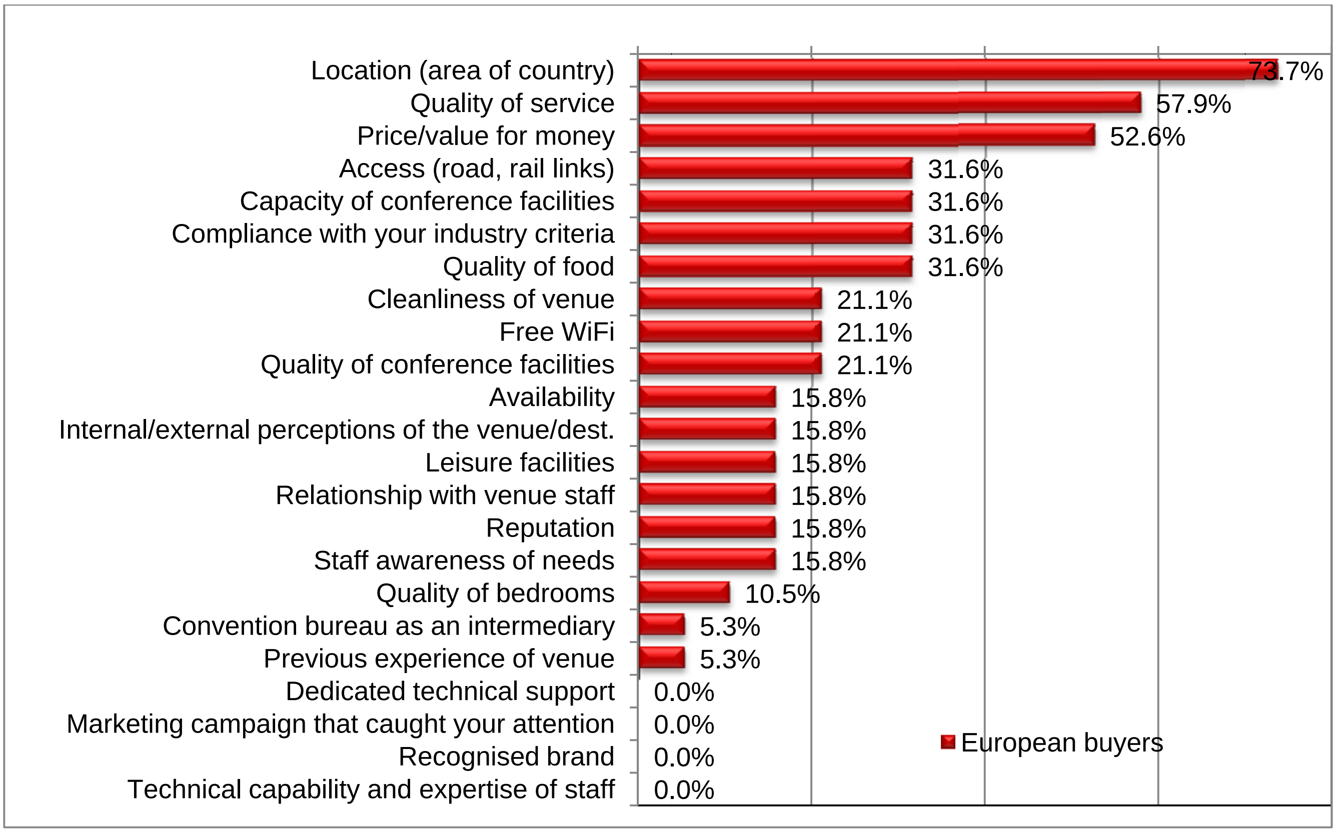
Budget change LAST 12 months	35.7%	37.2%	27.1%
Budget change NEXT 12 months	38.5%	47.2%	14.3%

Buyers views of change for a range of issues affecting their events are shown below with use of new destinations and new technology shaping event content showing highest increases.

	Increase	Same	Decrease
Marketing and promotional budgets	27.6%	**53.7%**	18.7%
New technology shaping event content	**62.2%**	33.2%	4.6%
Attendance numbers at your events	31.5%	**52.3%**	16.2%
Attendees from outside host country	26.6%	**56.1%**	17.3%
Use of new destinations for events	**57.6%**	35.5%	6.9%

Key factors influencing venue and destination selection

It is interesting to see that beyond the primary factors of location and price/value for money, quality of service is considered an important factor. When budgets are limited and increasingly more is being demanded of those budgets, it is challenging for venues and suppliers to provide the expected service levels. Compliance with industry criteria is also rated as a high priority. It is also most interesting to see which factors are least important with recognised brands, technical expertise, and marketing campaigns not considered important.



Satisfaction levels with venues

When asked to rate satisfaction with a range of factors at the European venues they used during the last twelve months, buyers' responses rating Very Good were as follows, clearly indicating room for improvement in many areas including free Wi-Fi, service and food. There is a clear parallel between many factors rated as important during the selection process and those causing dissatisfaction as shown below.

Factor	Percentage rating Very Good
Standard of bedrooms	52%
Standard of conference facilities	52%
Staff understanding of organiser and delegate needs	50%
A/v equipment, technical facilities & support	43%
Food quality & catering standards	32%
Standards and speed of service	30%
Availability of free Wi Fi	27%

Recent trends and effects on events

The effects of new technology are being widely felt throughout the meetings industry and investigating how this and other recent trends are affecting events produced the following key results:

- 49% of buyers think risk assessments and/or compliance issues are increasing costs.
- 46% of buyers think new technologies are adding creative options for events but are also increasing costs
- 52% think using social media during the meeting is improving audience engagement
- 48% think using social media increases attendance and 36% think it improves audience engagement
- 47% think Health and Safety factors are increasing costs
- 41% think the need to demonstrate ROI for events is saving money
- 49% said online content extending audience reach was saving money and 46% said making it available online after the meeting was improving audience engagement
- 43% think a less formal approach with delegates driving content on the day is saving money, 32% think it is improving audience engagement and 34% think it is increasing attendance
- 42% think networking taking priority over content is saving money yet only 35% think it is improving audience engagement and 30% think it is increasing attendance.

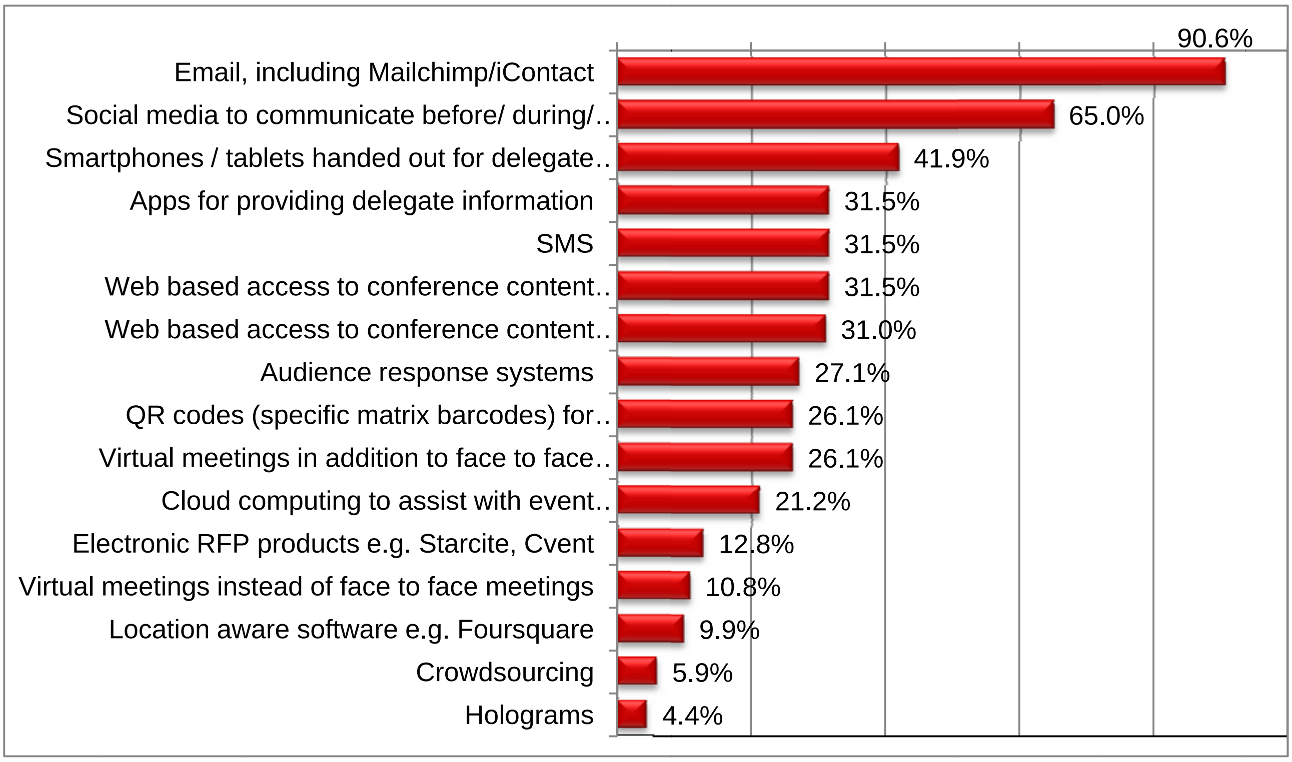
New technologies

The chart overleaf reveals the high use of new technologies and forms of communications with 91% of buyers using email/mailchimp or icontact, 65% using social media to communicate before, during and after meetings and 32% using SMS to help with organisation of events. 42% are handing out smartphones or tablets to provide delegates with information during the conference with 32% using apps and 26% QR codes, 31% are providing web based access to conference content during the meeting and 32% after the meeting.

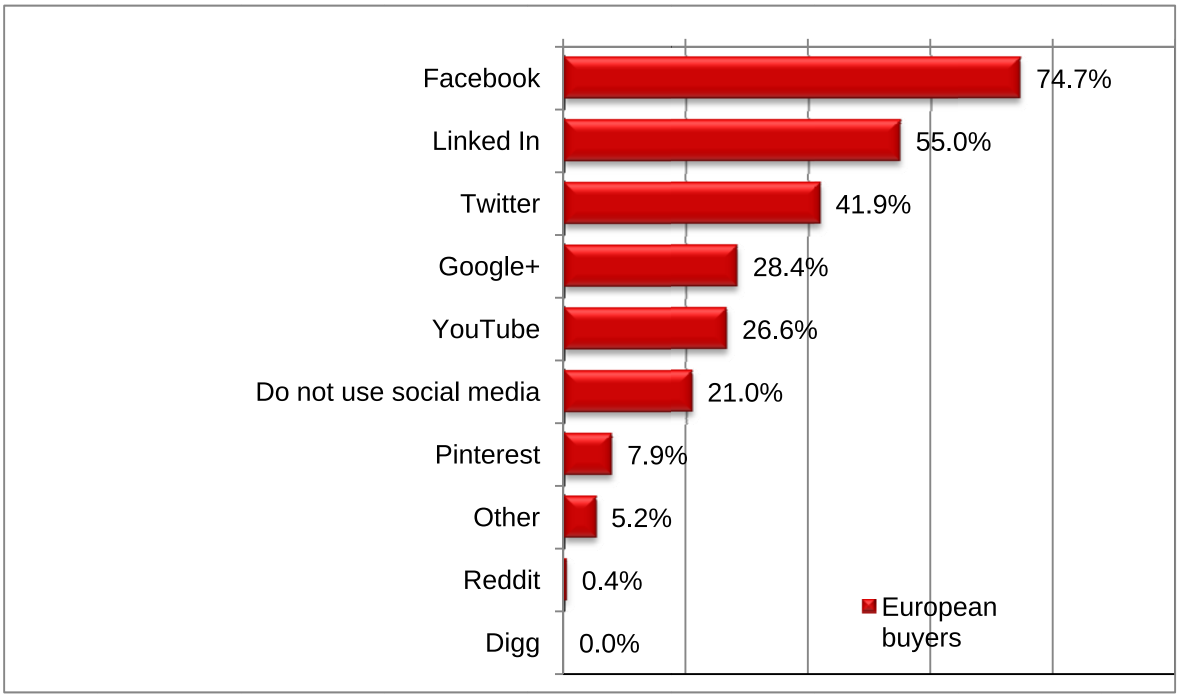
Electronic RFP products are being used by 13% of buyers in Europe compared to 38% in the US (Source: AIBTM research) although this is an increase on the 10% who were using them last year.

The most popular social media are Facebook, Twitter, YouTube and Linked In with ratings of different uses shown below.

Buyers' Use of Technology



Buyers' Use of Social Media



Suppliers' results - market conditions

Suppliers were also optimistic about the volume of events increasing in the next twelve months. However only 23% think that budgets will increase in the next twelve months so perhaps they will be pleasantly surprised if budgets increase according to buyers predictions! Interestingly 57% predict use of new destinations, possibly to try and stretch budgets further.

Indicate how the following will or have changed for your events in Europe

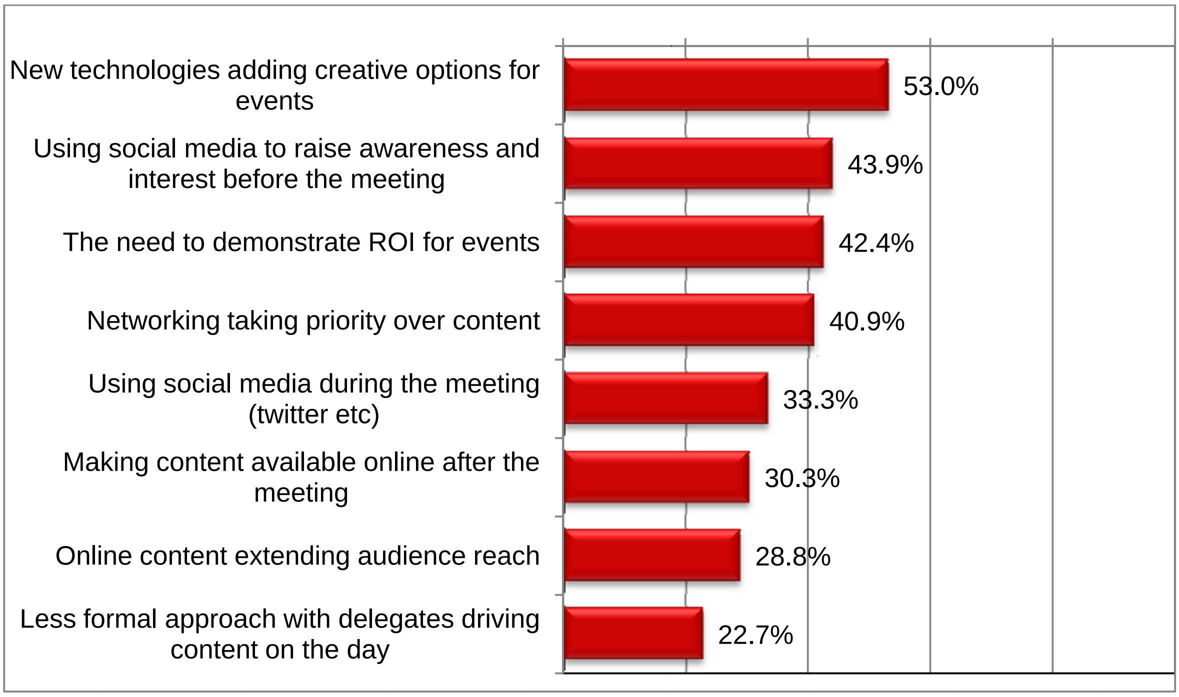
	Increase	Same	Decrease
Events hosted in the LAST 12 months	51.3%	32.9%	15.8%
Events hosted in the NEXT 12 months	66.2%	27.0%	8.1%
Clients' Budget change LAST 12 months	13.2%	42.1%	44.7%
Clients' Budget change NEXT 12 months	23.0%	62.2%	17.6%

NEXT 12 months	Increase	Same	Decrease
Marketing and promotional budgets	23.9%	39.4%	36.6%
Budgets for individual events	25.4%	43.7%	31.0%
Use of new destinations for events	56.9%	30.8%	12.3%

For the first time in recent years the issue that will most impact their conference business in the next 12 months was not the Global economy, a sure sign of returning confidence, although political stability was still mentioned for some countries. The most frequently listed issues were as follows:

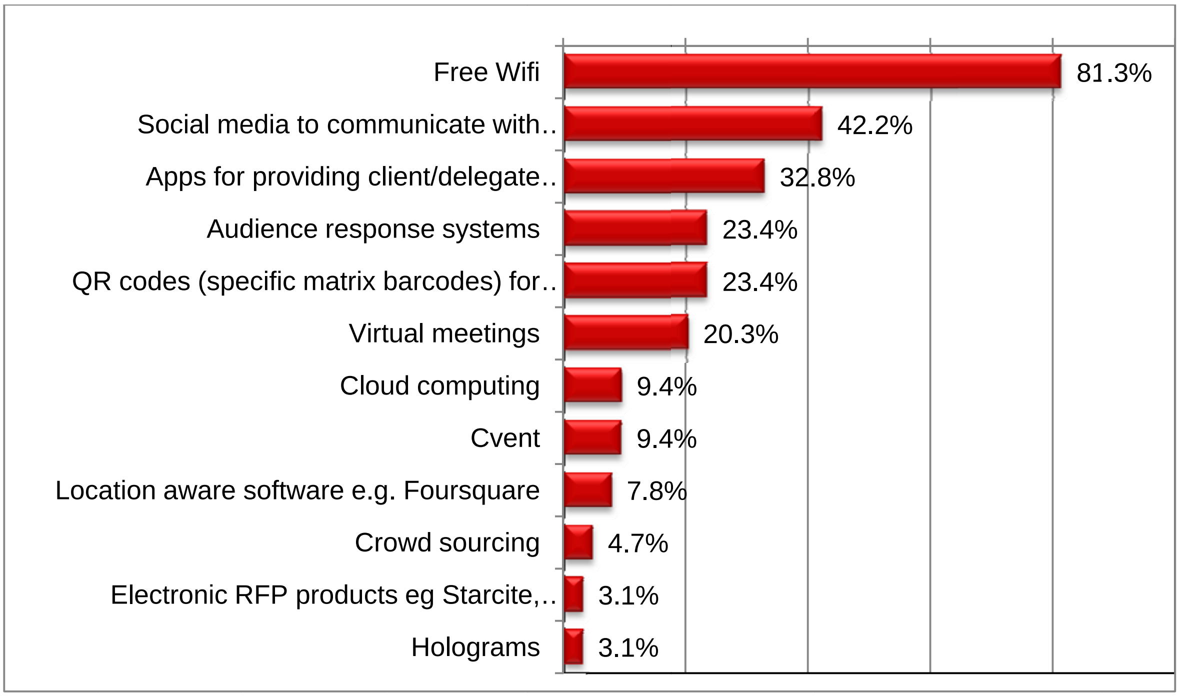
- Adding value for clients, careful management of costs
- Relationships (with clients) built on trust and excellent service
- Clients having confidence in events as effective part of their marketing mix
- Demonstrating ROI.

Suppliers' results - trends affecting the market



Suppliers' results -Use of technology

There appears to be a disconnect between suppliers and buyers when it comes to availability of Free Wi-Fi. 81% of European suppliers say they are providing it yet the lack of it is a cause of dissatisfaction for buyers.



Suppliers' results - use of social media