

The Business Visitor Market



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Introduction

The domestic business visitor market is worth over £5 billion¹ in England and the inbound business visitor market to England is worth over £3 billion². A key part of this market is accounted for by the conference and events industry. This summary presents a review of this market looking at key trends, the factors influencing venue selection, views of the England brand and knowledge and perceptions of VisitBritain/Meet England.

The findings presented here are based on quantitative research³ amongst a sample of national UK associations/not for profit organisations, corporate organisations and qualitative research⁴ amongst corporate events organisers and agencies that helped to organise events.

The Market

During 2004 there was dramatic growth of 21% in the volume of events held by the corporate sector and 9% for the association sector. This is the first significant growth since 2000, although it does not reach the peak of 1999 for the corporate sector or 2000 for the association sector.

While the number of events has increased there are fewer delegates attending and the events are of shorter duration. The average number of delegates attending a corporate event reduced from 131 to 99 and the number of delegates attending associations' events reduced from 396 to 342 in 2004. The duration of association's events remains at an average 1.6 days, but corporate events reduced from 1.4 days to 1.3 in 2004. Around three quarters (74%) of corporate events last up to 1 day compared to just over a half (52%) for associations.

Location

London, Birmingham and Manchester remain the most popular destinations for events with London the clear favourite – 51% of association organisers and 60% of corporate organisers had held an event in London during 2004 compared with 31% and 30% in Birmingham and 19% and 27% respectively in Manchester. These findings were replicated in the qualitative research.

Venue Selection

Most conference and event organisers had a good knowledge of England as a location for events and conferences i.e. particularly London venues. The top three sources of help with venue selection for both associations and corporate organisations were own knowledge, word of mouth and Internet. Other sources were venue finding agencies, directories/guides and the conference blue/green book. The Internet has seen increased use this year with 66% of corporate organisers now referring to it compared with 43% the previous year and 37% of association organisers compared to 29% the previous year.

Respondents were asked what the top factors were that influenced venue selection. Location was identified as the key reason for the Corporate Sector (87%) while over three quarters of the Association sector (77%) ranked it as influencing their decision. Almost 80%

of Association organisers ranked Price/value for money as a key reason while 76% of the Corporate sector identified this factor. Access was ranked third most important by both the Association (70%) and Corporate Sectors (76%). Other factors mentioned by both groups were previous experience, quality of conference facilities, capacity of conference facilities.

England versus Overseas

The qualitative research looked at the wider issue of where there was a choice between English vs Overseas venues, what obstacles may sway conference organisers towards an overseas venue. Two main drivers emerged i.e. cost and availability of venues to meet the needs of organisers catering for large numbers of people.

In terms of higher cost, this is particularly a problem for the large hotels in London and other large English cities and appears to be a major obstacle when it is perceived that the service in English venues is not as good as comparable overseas venues. The availability of venues for large numbers of people was perhaps the most strongly expressed obstacle. The main issue appears to be the availability of meeting space and accommodation within the same venue for numbers larger than 150. The choice is seen to be limited and is perceived to become more of an issue, the larger the number of delegates.

Despite these obstacles, England is perceived in a mostly positive light and the benefits of organising events in England are not inconsiderable. Logistics and ease of organisation top the list and with the exception of the unpredictable weather, England is seen as a whole is seen as an attractive country, with many positive attributes.

Brand England

Respondents were asked for their spontaneous views on England as a destination for conferences and events. The country's uniqueness came across strongly and many felt attracted to the traditional and historic nature of the country. However, there was also a view expressed that England was a mix of the historic and the contemporary, the cultural and the social. There is no doubt that England is seen by most as a beautiful, varied and attractive place to hold conferences and events, albeit limited, as perceived by some, by the size and cost of some venues.

Respondents were also prompted for their views on a number of attributes of the England brand. Of the five attributes tested Discover and Unique were seen as the most appropriate attributes for England, with Relaxation following and Experiences and Exploration closely behind.

Events

England is perceived as being able to cater for a wide variety of events. Corporate hospitality was mentioned as particularly strong in England, with a good choice of sporting, and cultural events to suit varying budgets and interests. With its historical cities and attractive countryside, England is perceived as ideal for smaller conferences, outdoor team building and training events, where delegates can combine business with pleasurable outdoor pursuits.

The top five most popular types of events for the Corporate Sector to organise were training, sales conferences and staff conferences, management meetings and presentation and communication. Annual meetings, education, regular member communication, technical information updates and fund raising were the top choices for the Association sector.

VisitBritain/ Meet England

Only a minority of respondents were familiar with VisitBritain and Meet England and these were mostly agency respondents from the qualitative study. These organisations are seen as professional, respectable and informative and no negative perceptions were expressed. The only slight concern maybe that a couple of respondents perceived the organisations to be more about promoting London than promoting England or Britain as a whole.

Respondents were asked whether the fact that VisitBritain is starting to promote England as a suitable business location for events and conferences would make them more likely to consider England in the future. Around 60% of respondents answered 'Yes, probably' and 25% 'Yes definitely', 14% thought that it would not influence their choice of location.

Respondents were asked how VisitBritain/Meet England could encourage UK based conference organisers to hold their events in the UK. The theme of new and bigger venues, with the ability to stage large events, with accommodation on site, was raised. This is seen as a huge issue when competing with overseas conference venues.

It was suggested that this could be partly over come by encouraging venues to work together so that large events could be spread over a number of venues. While there was a feeling that this is happening in some areas, it is not perceived to be happening to the degree to which it needs to, to satisfy the needs of the industry. The quality of venues was also perceived to vary in some instances.

Another suggestion was to try to overcome the barrier that the English weather sometimes poses, by promoting activities where the weather is not an inhibiting factor and to promote the more unique and less known venues outside the main English cities.

Finally, there was a suggestion that pricing needs to be addressed, both in terms of more flexible pricing by venues and in terms of having a central source for making special offers and deals available to the professional market.

Communication

In terms of communication, e-mail newsletters and updates were seen as the most appropriate means of keeping conference organisers up to date. The Unique venues publication and Venue directory were received positively by respondents as being appropriate, quality and useful publications, but could have been more focussed on conference venues and less generic. The top three trade publications received regularly were Meetings & Incentives Travel, Conference & Incentive Travel and Conference & Exhibition Fact finder.

Quality

Respondents were asked their views on the development of a quality mark to be applied to venues or locations. Although responses varied, more respondents were in favour than not, but with the caveat that the system of rating must be relevant to the industry, for example, it must include a grading system for conference and meeting facilities, for service specifically to the professional market and is must be heavily and regularly regulated.

Conclusion

There has been a large increase in the volume of events held this year although there are fewer delegates attending and the events are of shorter duration. London, followed by Birmingham and Manchester are the most popular destinations for events while location, price/value for money and access were the top factors influencing individual venue

selection. England was perceived positively as a unique, traditional and historic country able to cater for a variety of events. Those who were familiar with VisitBritain viewed it as a professional respectable and informative organisation. Opportunities to improve the England offering centred on providing bigger venues i.e. possibly through collaboration, promoting non weather dependent events and providing a more flexible pricing structure.

Sources

¹ *UKTS Survey 2003*

² *IPS Survey 2004*

³ *2005 UK Conference Market Survey, MIA, June 2005*

⁴ *Meet England Buyer Research, Bdifferent, April 2005*