

eventia

the voice for the events industry

Getting the Message Across

Izania Downie CEO of Eventia, the association representing the events industry, spells out the case for the industry supporting the Visit Britain campaign, 'Keep Britain Talking'.

The 'Keep Britain Talking' Campaign comes at a critical time for the UK events industry. Like most industries it has been hit hard by the recession. Its plight has been made worse by the perception that corporate events are discretionary expenditure, coupled with a fear amongst businesses not to be seen to be spending money in this way in these austere times. In addition there has been a trend for organisations to consider and trial the option of holding virtual meetings.

Putting the industry into context

Business visits & events are worth over £22 billion to the UK economy.

The UK events industry contributes £3.8 billion in tax annually to the government.

Business visits and events create high quality, year-round employment opportunities accounting for some 5.4 million jobs directly and indirectly.

UK Event venues receive in excess of £7 billion from the various business events they stage (especially conferences and meetings) representing a core element in their annual turnover.

Around 80 million people attend 1.5 million conferences and meetings annually in the UK.

2008 International Passenger Survey figures for inbound business visits and events indicated over 8.1 million visits spending £4.6 billion.

Now is the time for the industry to get its message across and communicate the benefits and financial returns that can be yielded by companies utilizing events as a powerful form of communication. A number of recent surveys carried out in the UK and overseas support the industry's case in no uncertain manner.

Employee Engagement

A YouGov survey amongst 524 white-collar workers found that 81% of respondents said that face to face contact with their line managers was the most trusted form of communication while only 6% trusted external press or TV. But 67% said they do not have face-to-face contact with their bosses. The survey concluded that Britain's leading corporates must make employee engagement their top communications priority as they face de-motivated and disillusioned staff.

Engagement seems to be the new 'buzz word' and strategy for dealing with employee dissatisfaction amidst the current economic climate. According to recent research by Taleo approximately 25% of employees don't understand their company's vision and mission. 42% are unclear of their personal career path and opportunities within the organisation. The recession has meant that companies are focussing on sustaining current business levels rather than pro-actively communicating with their employees. However taking a longer term view on employee value would greatly improve the sustainability of the business. Communicating the value that employees add to the business and offering them opportunities to up-skill will mean gaining a higher level of job satisfaction and result in the possibility of employees staying longer with the company - therefore adding further value to the business over a sustained period of time.

A CIPD survey also found that one quarter of unionized organisations have been affected by strike action in the last year and almost one third are expecting future industrial action. Three quarters of employers believe engaging employees with the business is the most likely route they will take to deal with this issue. The MacLeod Review of employee engagement has recommended government support and more cooperation by UK businesses, to make sure the relationship between employees and employers is at the centre of successful business plans. Led by David MacLeod and Nita Clarke, the review was commissioned to make recommendations on promoting employee engagement. Clearly face-to-face communication is a key ingredient in this.

Engaging employees at work is about helping people to achieve their potential and be the best they can be which in turn has a positive value to the business. No matter what the economic times, engagement is key to innovation and competitiveness.

Engagement is increasingly recognised as vital by senior figures in the public sector, the private sector and trade unions. Employers in all parts of the economy can make a success of employee engagement through culture change, rather than investing significant financial resources.

Both Sainsbury's and O2, two companies that have recorded significant recent successes, believe that their recent growth has been predicated on a transformation of their approach to their workforce, based on highly developed engagement models. Justin King, CEO of Sainsbury's said: *"In our business with almost 150,000 people, engagement is a key concern. In businesses of our scale, you don't even get started without engagement."*

Building Trust

Leading business commentator Mary Jo Jacobi recently chaired a round table discussion attended by senior representatives from several blue chip companies. The topic for discussion was the role that live events have to play in rebuilding brand/reputation following the widespread negative publicity of the past two years – particularly in the financial sector. Mary Jo said that "Despite budget cuts, companies should be taking every opportunity to inform and engage with their public but mass market communications such as advertising may not offer the personal experience required to rebuild confidence.

"Event-driven PR can help by building third party credibility and stimulating word of mouth endorsement. Bespoke intimate events that give individuals the opportunity to attend and engage and that focus on building relationships are very much in vogue. An integrated communication strategy is key and it is clear that events do have a role to play in providing opportunities for key stakeholders to 'see the whites of the company's eyes' following a crisis."

Sealing the deal - face to face vs virtual meetings

As well as improving employee engagement and internal communications, there is additional recognition that face-to-face meetings and events have the highest return of all marketing tools. A recent Forbes Insights study found that while lower costs and greater reliability have made teleconferences, videoconferences and web conferences more pervasive options for meetings, executives still expressed an overwhelming preference for face-to-face meetings. More than eight out of ten (84%) said they prefer in-person contact to virtual, and respondents agreed that they are necessary for building deeper, more profitable bonds with clients and business partners. While web-, video- and teleconferencing have their role, they cannot substitute for human interaction when it comes to accomplishing certain business objectives. 87% agree that there are tangible business benefits in face-to-face meetings that outweigh the cost savings of alternative, technology-based meeting methods such as web conferencing or videoconferencing.

This study is based on a survey of 760 business executives and was conducted by Forbes Insights in June 2009. Half of the respondents represented small businesses (under 100 employees), 20% were from mid-sized businesses (100-999 employees), and 30% were from enterprises (1000-plus employees). In terms of title, 48% of respondents were either owners or c-level executives.

Similarly, in a global survey of 2,300 Harvard Business Review subscribers, 79% said that in person meetings are the most effective way to meet new clients to sell business. Furthermore, 89% agreed that face-to-face meetings are essential for 'sealing the deal'. The survey suggests that business leaders are expanding the use of virtual meeting technologies: 60% report very frequent use of teleconference calls and 44% predicted that they would use the technology more in the next 12 months; by contrast more than half of participants rarely or never use video conferences.

Hilton has also studied the impact of the recession on business travel among 600 executives from France, Germany, the UK and the US. The majority (83%) said developing personal relationships remained one of the most important elements of doing business and was impossible without face-to-face meetings.

However, more than 20% indicated that external meetings had been reduced due to the recession, with half of those noting that staff morale was in decline. Overall, two-thirds of the 600 questioned said business travel could increase motivation, performance and teamwork, and raised concerns about an over reliance on technology that could reduce business efficiency.

A recent study of meeting buyers, customers and agents by Intercontinental Hotels Group (IHG) indicated that added value is a key driver for decisions. So IHG has invested in technology to assist its employees in dealing with enquiries in order to improve efficiency, response times and allow staff to spend MORE time engaging with and understanding the needs of meeting buyers.

The study confirmed that buyers are busy, have less time to worry about logistics – and just want to focus on the content and quality of their meetings and the interaction of people within them, so that they may achieve their return on investment (ROI) or return on objectives (ROO). IHG now ensure that their customer has choices and gets what they want – in order to achieve THEIR objectives.

Measurement

It is often said that the effectiveness of any live event, conference or meeting is intangible or based on the emotional response from clients and delegates, rather than measurable results and impact.

It is therefore no wonder that in difficult times, organisations see an opportunity to save money by reducing visual communication budgets. A video or live event is often considered as a cost to an organisation rather than a revenue driver or creator and therefore the true effectiveness and return on investment is not fully appreciated.

Communications and live events agency drpgroup has been working closely with a behavioural psychologist and clients to analyse the effectiveness of events so that the benefits and return on investment can be better understood.

Drpgroup work with Sainsbury's – producing their annual conference for the past four years. The event was taken on at a time when the conference was about to be scrapped altogether because Sainsbury's could no longer see the value in holding such events. Drpgroup used this conference to demonstrate the power and effectiveness of live events and meetings to the Sainsbury's board by making sure that their goals were properly assessed and measured from the start.

The event is now an integral part of the Sainsbury's calendar with the benefits identified as a direct increase in sales immediately following each conference. A 3% increase in the bottom line can also be attributed to the impact of the 2008 annual conference.

Whilst event industry professionals are aware that this kind of result is always achievable, it is important that clients are made aware that only an event of this nature could achieve such results. Live events and meetings are anything but expendable for large organisations with large employee numbers. They are, quite simply, the only effective way to communicate the goals and messages of an organisation to large groups of individuals.

Conclusion

With all this information supporting the need for communication at a personal level, the industry must be looking forward to the future with confidence and renewed optimism. Izania Downie commented, "It is vital we get the message across now as organisations start to plan their budgets for 2010 and beyond. 2009 saw the cancellation and postponement of numerous events and it is important that they are put back in the calendar. The evidence is there to support the need for face-to-face communication so it is important for organisations to recognise this and to invest accordingly.

“The industry is a significant employer in this country and has an important part to play in the economy as a whole. We have a story to tell and we want to get it out there loud and clear.”

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Notes to editors:

Eventia

Eventia is the trade body representing organisations that provide business solutions through the use of events. It's the hub for conference and incentive travel organisers, live communications agencies, producers of experiential marketing activity, performance

improvement programmes and corporate hospitality – as well as suppliers of services to these event management companies.

Visit their website: www.eventia.org.uk

Keep Britain Talking

National Meetings Week – ‘Keep Britain Talking’ is the awareness campaign run by VisitBritain to encourage business in the UK to keep communicating through meetings and events, and also to support the meetings industry by holding those events in the UK.

More information can be found at: www.keepbritaintalking.co.uk

Mary Jo Jacobi

Having held numerous high profile positions including Managing Director, Chief Brand Strategist and Global Head of Marketing and Communications at Lehman Brothers, VP External Affairs/Chief Reputation Officer at Royal Dutch Shell and Advisor to the Board at HSBC, Mary Jo’s expertise spans the private, public and voluntary sectors on both sides of the Atlantic. Mary Jo devised and delivered HSBC’s re-branding as “The World’s Local Bank”, one of the most successful in history; led Shell’s reputation management activities globally during a period of extreme crisis; was a senior advisor to two American Presidents. Her current portfolio comprises Her Majesty’s Civil Service Commissioners, chair of the Forensic Science Service’s Independent Advisory Group, Criticaleye, International Marketing Partners and Gerson Lehman Group.

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