

BUSINESS EVENTS CONSUMER DEMAND PROJECT 2021

New **international business events research** to understand the factors influencing decision makers when choosing a destination for events, including how Australia is perceived and the impact COVID-19 has had on decision making.

The Consumer Demand Project (CDP) surveyed 163 decision makers from the **association sector** and 354 from the **incentive sector** in 11 of Australia's key markets to better understand the perception of Australia as a business events destination. The findings provide insights that will help inform Tourism Australia's business events strategy and help guide the Australian business events industry through recovery.

THE BUSINESS EVENTS LANDSCAPE IN 2021

Based on the unprecedented challenges faced by the global business events sector in the last 12 – 15 months, it is unsurprising that **COVID-19 continues to play a prominent role** in decision making for events and is the most significant factor influencing the confidence of decision makers to hold events.

Decision makers' primary concerns are related to the restrictions placed on the number of attendees permitted at events and how individual destinations are perceived to be handling the pandemic. At the time the research was conducted, most claim they will only visit destinations they see as COVID-safe, with vaccine rollouts and the ongoing performance in managing the pandemic being key considerations.

The flow-on effect of these concerns is creating a sense of discomfort and uncertainty amongst some decision makers who are hesitant to travel overseas in the current environment.

Despite these concerns, there is a great deal of positivity and optimism amongst decision makers in both sectors, with encouraging attitudes towards the number of future events, the available budget and the anticipated attendee numbers; with both sectors indicating clear pent up demand for face-to-face events.

“THE RESEARCH HAS PROVIDED KEY INSIGHTS INTO WHAT WILL GIVE AUSTRALIA A COMPETITIVE EDGE WHEN BORDERS RE-OPEN AND GUIDE OUR STRATEGY MOVING FORWARD. IT'S ENCOURAGING TO HEAR THAT BUSINESS EVENTS DECISION MAKERS ACROSS BOTH SECTORS ARE OPTIMISTIC ABOUT THE FUTURE EVENTS – WITH THE NUMBER OF EVENTS, ATTENDEES AND BUDGETS ALL LOOKING POSITIVE.”

– Robin Mack, Executive General Manager Commercial & Business Events Australia, Tourism Australia

ASSOCIATION DECISION MAKERS

21%

are uncomfortable with overseas travel

72%

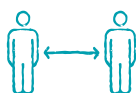
are likely to resume overseas events in the next 2 years

45%

have been running events over the last 9-10 months (including face to face, online and hybrid)



A rollout of an effective vaccine is the biggest driver to event resumption overseas



Restrictions on attendee numbers is the biggest factor influencing decision makers' confidence about future overseas events

82%

claim the number of events held by their association will be the same or greater compared to before the pandemic

68%

claim the funds for future overseas events will increase in the next 12 months

The **top five factors** for association decision makers when considering overseas events include: a **safe and secure** destination (excluding COVID); the rollout of an effective **vaccine**; a destination that has **handled the pandemic well**; **travel costs** associated with the destination; the **strength of the industry**

INCENTIVE DECISION MAKERS

18%

are uncomfortable with overseas travel

70%

are likely to have resumed overseas trips 18 months from now

43%

have been running overseas trips in the last 9-10 months



Safety and security of a destination (excluding COVID) is the biggest factor influencing decision makers when planning overseas incentive programs



Restrictions on attendee numbers is the biggest factor influencing decision makers' confidence about future overseas events

75%

claim that the number of overseas incentive programs held by their business/organisation will be the same or greater compared to before the pandemic

60%

claim the funds for future overseas incentive trips will increase for events in the next 12 months

The **top five factors** influencing incentive decision makers when considering overseas trips include: a **safe and secure** destination (excluding COVID); a destination that has **handled the pandemic well**; the rollout of an effective **vaccine**; **flights with no stop-overs** (after COVID); **excellent business event facilities**



While association decision makers state that 43% of their events after the pandemic will be face-to-face, they expect online/hybrid events to continue.

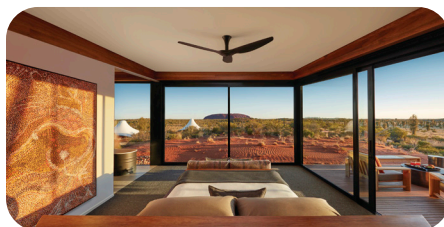
AUSTRALIA'S APPEAL AS A BUSINESS EVENTS DESTINATION

Australia is seen as a **highly desirable** business events destination and has several consistent drawcards for the business events sector.

EVENT DECISION MAKERS ACROSS KEY MARKETS IN THE ASSOCIATION AND INCENTIVE SECTORS CONSISTENTLY IDENTIFY SIX ATTRIBUTES FOR AUSTRALIA AS AN EVENTS DESTINATION



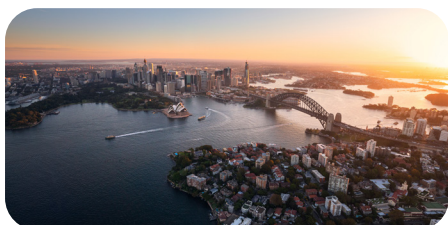
World class beauty and natural environments



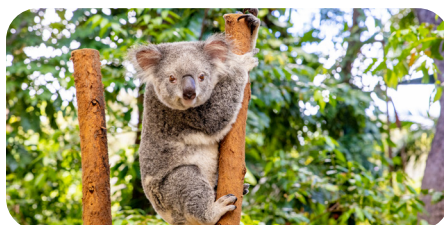
A range of quality accommodation options



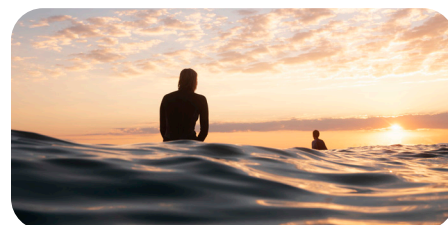
Excellent business events facilities



Clean cities and good road infrastructure



A range of local attractions for optional activities



An appealing climate

Almost 8 in 10 association decision makers rate Australia as an appealing events destination with excellent business events facilities, clean cities, good infrastructure and an appealing climate.

Australia's appeal as an incentive destination is equally strong with similar drivers of appeal plus world class beauty and natural environments and good food, wine, local cuisine and produce.

79% of association decision makers claim they are likely to visit Australia for an event in the next two years, while **69% of incentive decision makers** claim they are likely to visit Australia in the next 2 years – rising to 82% in the next 3 years.

When it comes to Australia's handling of the pandemic, Australia ranks number one amongst incentive decision makers in this regard. However, association decision makers aren't as confident, ranking Australia sixth.

BARRIERS

COVID-19 has exacerbated the traditional barriers to choosing Australia for a business event - being **distance, time, and cost**. The relative distance, especially from United Kingdom (UK) and United States (US), can feel riskier in the current environment, and there are also concerns about the increased cost of flights.

There is a clear view from the research respondents that Australia has done well in handling the pandemic - by sealing itself off from the rest of the world. However, as a result of border closures, it seems Australia is not currently included in the consideration set amongst those planning events in the medium term with the Northern Hemisphere opening up, which is something Tourism Australia is addressing through its marketing and distribution activity.

OPPORTUNITIES

The pandemic has left many decision makers with a desire to do something significant to acknowledge all that's gone on, once travel is unrestricted and events can freely take place, particularly as some have funds to do so because of not running face to face events for some time.

Australia can benefit from this sentiment, especially amongst those who see Australia as a bucket list destination.

THE RESEARCH

The CDP was conducted by Snapcracker Research + Strategy, who surveyed 163 people from the association sector between 16 February and 2 March 2021 and 354 from the incentive sector between 16 February and 30 April 2021. The report also draws on qualitative interviews with decision makers in both sectors that were undertaken in March 2021.

The CDP covers decision makers for events in the association sector based in North America (US and Canada) and the UK/ Europe (UK, Germany and Italy); and decision makers in the incentive sector based in North America (US and Canada), UK/ Europe (UK, Germany and Italy), China, Malaysia, Singapore, India, Indonesia and New Zealand.

