STATE OF THE INDUSTRY REPORT 2016
New beginnings

With the impact of the recent Brexit yet to be truly assessed in the global meetings industry and more event professionals reporting budgetary constraints, a climate of uncertainty underpins this year’s C&IT’s State of the Industry report.

More than 200 agencies and brands were interviewed for C&IT’s flagship annual report and the 20,000-strong community across our social media channels readily shared their opinions and were polled across two months as the report was reaching its final stages.

UK event professionals are sounding an overwhelmingly cautious note as heightened competition dominates the agency landscape and growth is forecast to be modest, with a slowing on previous years and the optimism of 2015.

This year’s State of Industry features enhanced data, including an agency ranking by profit and additionally by client spend. Further developments include the launch of our first State of the Industry event, which brought together the leaders of 20 of the top agencies in the UK to forecast the future of the C&I industry, assess the role that new technologies will play and debate the challenges that the Brexit result has delivered.

This new event is one of many that C&IT has added to its live portfolio this year. We are proud to have hosted reader events in both the US and Europe in 2016, with a Middle East trip planned towards the end of the year. Closer to home, our roster of events is on the rise too, with themed roundtables now a regular fixture and this year, our annual C&IT Awards will be followed by an event focusing on the future of incentive travel.

So be it via our digital channels or our live portfolio, connect with the C&IT brand and join our growing community of C&I specialists.

Chat to us at @citmagazine on Twitter, using #CITReport16 or email cit@haymarket.com

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In numbers

C&IT surveyed 200 UK agency and corporate event planners. Here we present the top 15 stats.

- **63%**
  Of corporate event planners expect to hold more events in 2016 than 2015, while 31% expect the same number, and only 6% expect less.

- **40%**
  Of agencies have seen a decline in interest for Turkey due to security fears, half of whom specifically mentioned Istanbul.

- **91%**
  Of agencies said they expect to report improved financial performance in 2016.

- **43%**
  Of corporate event planners expect their event budgets to stay the same in 2016, with 39% predicting an increase on last year and 22% expecting a decrease.

- **57%**
  Of agencies said they have not seen an increase in budgets per delegate compared to previous years.

- **75%**
  Of corporates said they do not run an incentive travel programme.

- **17%**
  Of agencies said they have seen an increase in incentive travel programmes.

- **30%**
  Of corporates said budget is their biggest internal barrier to delivering events.

- **68%**
  Of agencies said they took part in more pitches in 2015 than the previous year.

- **49%**
  Of corporates said they did not hold any pitches in 2015.

- **83%**
  Of agencies expect to increase headcount in 2016.

- **63%**
  Of corporates do not expect their meetings and events team to increase in 2016, with 35% expecting their team to grow and 10% expecting a decrease.

- **63%**
  Of corporate event planners and 86% of agencies said London was their top UK event destination in 2015.

- **48%**
  Of agencies surveyed are members of Evcom, with 13% members of HBAA, 11% members of MPI and 8% ILEA (formerly ISES).

- **61%**
  Of corporates said they plan to use mobile apps for events this year, while 26% of agencies are investing in mobile app development.
The dominant theme of C&IT’s State of the Industry Report 2016 is getting more for less. Both brands and agencies are under increasing pressure to deliver more creative and innovative events that are bigger and better than previous years, but with the same or decreasing budgets, and ever shorter lead times.

This is all taking place amid an uncertain global economic climate threatened by Britain’s recent shock vote to leave the EU, the impending US election, plus increased terrorism-fuelled security fears that are seriously limiting destination choice.

Yet despite this seemingly gloomy outlook, the UK events industry continues to be in rude health, clients are holding more events and many agencies are reporting improved financial performance.

For our annual State of the Industry Report, C&IT surveyed and interviewed almost 200 UK-based event agencies and corporate planners throughout April and May (before the EU referendum took place) about their event activity in 2015, general trends, challenges and future outlook.

BANG FOR YOUR BUDGET

Almost two-thirds (63%) of corporate planners surveyed said they expect to hold more events in 2016 compared to 2015, with only 6% predicting a decrease and the rest expecting the same number. However, when it comes to budget, it drops to just over a third (35%) that are expecting an increase this year, with 43% saying budgets are the same and 22% predicting a decrease.

So it comes as little surprise that for the eighth consecutive year, budget tops the list of challenges facing corporate event planners, with 30% describing it as their biggest internal barrier to organising events, and 39% describing it as their greatest overall challenge in 2016.

Jason Sullivan, employee engagement and recognition manager at Colt Technology, says that while overall event budgets have not been reduced, the company is definitely smarter with budgets. “For example, we’ve combined our two reward trips (for sales and other staff), which saves on agency fees. But it means more will be spent on the one trip we’re doing and hopefully it will be a better experience for everyone.”

UNCERTAIN FUTURE

Meanwhile, over in agency land, the majority (91%) of agencies surveyed said they expect to report financial growth in 2016, although post-Brexit that majority might not be quite so high.

Two thirds (68%) of agencies said the number of pitches they took part in last year increased compared to 2014, and 75% increased their headcount in 2015, with 83% expecting to increase headcount in 2016.

“For the last three years it’s been extremely competitive," says Mark Riches, managing director of First Protocol. “There is great pressure to discount, particularly to win new business. Even with existing business, it’s tight – a lot of budgets are staying flat and some are even going down.”

Riches adds that before Brexit, there was evidence that clients were putting off spending due to uncertainty about the future, a trend that will almost certainly continue since the vote.
Brexit – the MDs lowdown

Agencies are already seeing events postponed after the UK’s vote to leave the EU, but MDs hope uncertainty could result in more meetings as clients seek to reassure staff and partners.

Brexit was a hot topic at C&IT’s inaugural State of the Industry MDs dinner, held in partnership with Cvent at The Savoy London on 29 June, just a week after the UK voted to leave the EU, with leaders from 20 agencies in attendance.

MDs and directors from agencies including Capita Travel & Events, AddingValue, First Protocol, Absolute Corporate Events, Top Banana, Crown, drp, Smyle, BCD Meetings & Events, TRO, Grass Roots Meetings & Events, Worldspan and The fresh Group, BI Worldwide, Worldspan, Green & Pleasant, The Appointment Group, Banks Sadler and cievents, took part in three roundtable debates over dinner.

Crown MD Nicky Havelaar predicts: “There will be a period of uncertainty where clients will postpone events or simply not invest in them.”

Others are already seeing an impact. First Protocol MD Mark Riches says the agency’s US office had seen several pieces of business delayed since the leave vote. “In New York, we’ve seen $100,000 of business postponed. Some of it was into London and some of it was activity on the East Coast and I think what’s driving that is expenditure. Do we need to spend this $100,000 now or shall we just put a pause on that so we can see what happens next?”

Meanwhile, Absolute Corporate Events MD Chris Parnham says he has had two clients based on both sides of the channel change their plans due to concern that they will not feel welcome. “We have a UK group that was planning to go to Europe but have changed their mind as a result of the vote. We also have another European client that was planning to come to the UK but are now looking elsewhere in Europe, despite the favourable exchange rates meaning lower prices over here,” he comments.

On the flip side, Smyle MD Rick Stainton says: “One of our clients said they want to host more events as a result in order to get in front of their staff and clients to reassure them live, rather than doing it digitally.”

Riches says the agency has already delivered a client event on Brexit. “We had an event confirmed in our client’s offices following the referendum and it took place five days later. They decided to do an event for their top clients on Brexit.”

BUSINESS AS USUAL

The agency bosses agrees that as no-one knows what the future holds, it’s very much business as usual at the moment, and although some events will be postponed, there may be an increased need for companies to engage their staff with live events.

TRO MD Michael Wyrley-Birch says: “There has never been a more urgent time
to show leadership and direction. Incentives have become more important than ever, post-Brexit.”

Grass Roots Meetings & Events director Giselle Ripken adds: “We believe that face-to-face is the thing that solves problems and yes, budgets will be cut, but what clients will do is focus on the right people coming together to solve whatever their business needs are.

“They have got to continue to do business, so it’s how we focus ourselves and we have to stay close to our clients and adapt. It won’t be the same events that we’ve been used to – they will be quite serious, and our responses will probably be a little less flamboyant as a result.”

Many of the MDs say they have taken the time to talk to and reassure their own staff but could not make any guarantees about the long-term as the leave vote and lack of clarity about what’s next and when the UK actually leaves the EU is making it virtually impossible to forecast.

**LEADERSHIP CHALLENGES**

“As leaders, we need to demonstrate a level head as flapping won’t help,” says The fresh Group MD Patrick Howells. “The challenge for us is also to recognise where the opportunities might lie.

“Yes, we need to steady the ship, but we need to be alert and can’t be afraid to capitalise on opportunities as they arise.

“We all employ people who are essentially relying on us for their livelihood and that’s what keeps us awake at night, so it’s important we don’t get left behind.”

Several agencies with global bases talked about the emotions of shifting HQ. For those with European offices within the EU, discussions were already underway regarding repositioning the other office as the HQ rather than the one back in Britain.

In terms of sectors, agencies agree that while much of the focus has been on the impact on financial services, construction is one that is likely to suffer in the short term.

“Construction involves big investment decisions, so that sector is really worried,” says Parnham. “I think what’s changed since last week is that any serious investment decisions will be put on hold because the future is now cloudy and people don’t invest serious money unless they can predict the future.

“It’s like a veil has been dropped, and we now don’t know what’s going to happen tomorrow, next week, or next year.”

Stainton believes the sector has learned important lessons from the recession, which could help ride out the storm ahead.

“We prepared over time to have a balance of clients in a balance of sectors to be nimble and now we are best prepared to deal with a changing market,” he explains. “Most agencies have done this since the recession. The recession is similar in some ways to Brexit because there is the question about confidence across business and consumer spend. If you’ve prepared for this the same way as post-recession then you should be better placed to ride the disruption and evolving landscape.”
### TOP 50 UK AGENCIES RANKED BY EVENT-BASED TURNOVER

<table>
<thead>
<tr>
<th>RANK</th>
<th>AGENCY</th>
<th>EVENT-BASED TURNOVER FOR MOST RECENT FINANCIAL YEAR IN £M</th>
<th>ANNUAL UK TURNOVER FOR MOST RECENT FINANCIAL YEAR IN £M</th>
<th>UK PRE-TAX PROFIT FOR MOST RECENT FINANCIAL YEAR IN £M</th>
<th>DATE OF FINANCIAL YEAR END</th>
<th>UK STAFF</th>
<th>UK LOCATION</th>
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<tr>
<td>1</td>
<td>Jack Morton Worldwide**</td>
<td>52</td>
<td>52</td>
<td>Undisclosed</td>
<td>Dec '15</td>
<td>85</td>
<td>London</td>
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<td>2</td>
<td>Banks Sadler</td>
<td>34.6</td>
<td>34.6</td>
<td>Undisclosed</td>
<td>Oct '15</td>
<td>189</td>
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<td>3</td>
<td>CWT Meetings &amp; Events</td>
<td>33.2</td>
<td>1096</td>
<td>Undisclosed</td>
<td>Oct '15</td>
<td>80</td>
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<td>17</td>
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<td>ATPi Corporate Events and Sports Events</td>
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<td>Dec '15</td>
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<td>Dec '15</td>
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<td>Mar '15</td>
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<td>Feb '15</td>
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<td>35</td>
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<td>Team Spirit Event Management</td>
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<td>Mar '16</td>
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<td>Oldham</td>
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<td>0.09</td>
<td>Dec '15</td>
<td>17</td>
<td>Chesterfield</td>
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*Verified with Companies House  **CIT estimate
TOP 20 AGENCY PROFILES

C&IT takes an in-depth look at the Top 20 Agencies

1. JACK MORTON WORLDWIDE
   Position in last year’s table: 3
   Clients: Including Google, Wella, Kodak
   2015 event-based turnover: £52m (C&IT forecast)
   2014 total turnover: £52m (C&IT forecast)
   Key industry sectors: Telecoms, automotive, consumer goods, government & public sector, IT, PR and information services
   Event specialisms: Exhibitions, meetings, product launches, sponsorship, consumer activations
   Size (UK staff): 85
   Overseas offices: Including US, China, Australia, Singapore, Germany
   UK Location: London
   Website: jackmorton.com

2. BANKS SADLER
   Position in last year’s table: 5
   2015 UK event-based turnover: £34.6m
   2014 UK total turnover: £34.6m
   Key industry sectors: Including automotive, pharmaceutical, manufacturing, IT, financial services, energy
   Event specialisms: Meetings, conferences, incentives, roadshows, product launches, training
   Size (UK staff): 189
   UK locations: London, Windsor, York
   Overseas offices: Paris, Dusseldorf, New York, Shanghai
   Management team: CEO - Leigh Jagger
   Website: banks-sadler.com

3. CWT MEETINGS & EVENTS
   Position in last year’s table: 10
   Clients: Including Ricoh, Pfizer and Lilly
   2015 UK event-based turnover: £1.93bn
   2014 UK event-based turnover: £1.27m
   Key industry sectors: Including automotive, electronics, financial services, Pharma, energy, FMCG
   Event specialisms: Conferences, awards, meetings, incentives, teambuilding, gala dinners
   Size (UK staff): 80
   UK Locations: London, Cheadle, York, Manchester
   Overseas offices: Paris
   Website: cwt-meetings-events.co.uk

4. CAPITA TRAVEL & EVENTS
   Position in last year’s table: 7
   Clients: Including NHS, SSE, BP, SAS
   2015 UK event-based turnover: £32m
   2014 UK total turnover: £32m
   Key industry sectors: Including financial services, retail, energy, government/public sector, energy
   Event specialisms: Including meetings, conferences, venue sourcing
   Size (UK staff): 850
   UK Locations: London, Leeds, Swindon, Taunton, Manchester
   Overseas offices: 74 countries including France, Spain, Italy, Australia, Singapore, India, China, USA, Brazil, Mexico
   Website: capitatravelandevents.co.uk

5. GEORGE P JOHNSON
   Position in last year’s table: 4
   Clients: Including Cisco and IBM
   2015 UK event-based turnover: £32.6m
   2014 UK total turnover: £32.6m
   Key industry sectors: Including telecoms, IT, financial services, Pharma and charity
   Event specialisms: Including conferences, exhibitions, meetings, product launches, roadshows
   Size (UK staff): 102
   UK Location: Kingston, Surrey
   Management team: Jason Megson - UK managing director
   Overseas offices: 28 offices globally including Germany, US, Australia, India, Hong Kong, Shanghai, Taipei, Beijing and San Francisco
   Website: gpj.co.uk
<table>
<thead>
<tr>
<th>Position in last year's table</th>
<th>Clients</th>
<th>2015 UK event-based turnover</th>
<th>2015 UK total turnover</th>
<th>2015 EBIT</th>
<th>Key industry sectors</th>
<th>Event specialisms</th>
<th>Size</th>
<th>Management team</th>
<th>UK location</th>
<th>Staff</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASHFIELD MEETINGS &amp; EVENTS</td>
<td>2</td>
<td>£30.7m</td>
<td>£30.7m</td>
<td>£3.84m</td>
<td>Pharmaceutical, automotive, financial, food, drink &amp; tobacco, govt/public sector, IT</td>
<td>Meetings, congresses, conferences, incentives, training, product launches, corporate hospitality, exhibitions</td>
<td>205</td>
<td>Nicola Burns - global managing director</td>
<td>Ashby de la Zouch, Macclesfield</td>
<td>140</td>
<td>ashfieldhealthcare.com</td>
</tr>
<tr>
<td>WRG CREATIVE COMMUNICATION</td>
<td>8</td>
<td>£23.1m</td>
<td>£25.4m</td>
<td>£3.13m</td>
<td>Pharmaceutical, automotive, financial, food, drink &amp; tobacco, govt/public sector, IT</td>
<td>Meetings, congresses, product launches, corporate hospitality, conferences, awards</td>
<td>120</td>
<td>Russ Lidstone - CEO, David Sharrock - COO/CFO, Ian Plummer - chairman</td>
<td>Manchester, London, Milton Keynes</td>
<td>96</td>
<td>wrglive.com</td>
</tr>
<tr>
<td>ZIBRANT</td>
<td>1</td>
<td>£17.6m</td>
<td>£17.6m</td>
<td>£0.8m</td>
<td>Automotive, food &amp; drink, financial services, pharmaceutical, IT and telecoms</td>
<td>Conferences, congresses, incentives, meetings, product launches, roadshows, awards, training</td>
<td>250</td>
<td>Nigel Cooper - chairman &amp; owner, Fay Sharpe - managing director</td>
<td>Milton Keynes, Derby, Hong Kong, Godalming, Shanghai</td>
<td>140</td>
<td>zibrant.com</td>
</tr>
<tr>
<td>TBA</td>
<td>23</td>
<td>£17.5m</td>
<td>£17.5m</td>
<td>£10.5m</td>
<td>Telecoms, financial services, food, drink &amp; tobacco, automotive, IT, sport, pharmaceutical, retail</td>
<td>Events, conferences, corporate hospitality, exhibitions, gala dinners, product launches, Christmas parties</td>
<td>250</td>
<td>Guy Horner - executive chairman, Mark Spragg - managing director, Rob Taylor - creative director, Andrew Savill - client development director</td>
<td>London</td>
<td>96</td>
<td><a href="mailto:tba@chillisauce.co.uk">tba@chillisauce.co.uk</a></td>
</tr>
<tr>
<td>CHILLISAUCE</td>
<td>12</td>
<td>£17.3m</td>
<td>£17.3m</td>
<td>£10.5m</td>
<td>Telecoms, financial services, manufacturing, IT, retail, pharmaceutical, telecoms, food, drink &amp; tobacco, electronics, government/public sector</td>
<td>Events, teambuilding, incentives, corporate hospitality, meetings, Christmas parties, gala dinners, training, conferences</td>
<td>140</td>
<td>James Baddily - CEO &amp; founder, James Diment - head of projects &amp; operations</td>
<td>London</td>
<td>96</td>
<td>chillisauc.com</td>
</tr>
<tr>
<td>11</td>
<td>RAPIER-GROUP</td>
<td>Position in last year's table: 16</td>
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<tr>
<td></td>
<td>Clients:</td>
<td>Including Renault, SWIFT, Astellas</td>
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<td>2015 UK event-based turnover: £16.1m</td>
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<td></td>
<td>Key industry sectors: Including automotive, financial services, pharmaceutical, manufacturing, charity, Associations/professional services</td>
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<tr>
<td></td>
<td>Event specialisms: Conferences, exhibitions, meetings</td>
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<td></td>
<td>Size (UK staff): 64</td>
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<td></td>
<td>UK Locations: Ware, Towcester</td>
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<td></td>
<td>Management team: Helen Seaman - managing director</td>
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<tr>
<td></td>
<td>Website: rapiergroup.com</td>
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<table>
<thead>
<tr>
<th>12</th>
<th>GRASS ROOTS MEETINGS &amp; EVENTS</th>
<th>Position in last year's table: 11</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Clients: Including Ford, Barclays, BMW</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2015 UK event-based turnover: £16m</td>
<td></td>
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<tr>
<td></td>
<td>2015 UK total turnover: £16m</td>
<td></td>
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<tr>
<td></td>
<td>2014 UK event-based turnover: £280m</td>
<td></td>
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<tr>
<td></td>
<td>2014 UK total turnover: £26.2m</td>
<td></td>
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<tr>
<td></td>
<td>Key industry sectors: Including financial, pharmaceutical, automotive, IT</td>
<td></td>
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<tr>
<td></td>
<td>Event specialisms: Conferences, meetings, product launches, training, corporate hospitality, awards</td>
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<tr>
<td></td>
<td>Size (UK staff): 176</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Management team: Richard Bandell - Grass Roots CEO; David Taylor - managing director of Grass Roots Meetings &amp; Events; Giselle Ripken - director of meetings and events</td>
<td></td>
</tr>
<tr>
<td></td>
<td>UK location: London, Fleet</td>
<td></td>
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<tr>
<td></td>
<td>Overseas offices: Madrid, Düsseldorf, Zurich, Singapore, New York</td>
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<tr>
<td></td>
<td>Website: grassrootsgroup.com</td>
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</tbody>
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<table>
<thead>
<tr>
<th>13</th>
<th>TOUCH ASSOCIATES</th>
<th>Position in last year's table: 20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Clients: Including Lloyds Banking Group, M&amp;S, KPMG</td>
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<tr>
<td></td>
<td>2015 UK event-based turnover: £16m</td>
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<tr>
<td></td>
<td>2015 UK total turnover: £19m</td>
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<tr>
<td></td>
<td>2014 UK event-based turnover: £12.57m</td>
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<tr>
<td></td>
<td>2014 UK total turnover: £12.57m</td>
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<tr>
<td></td>
<td>Key industry sectors: Pharmaceutical, retail, financial services, IT, automotive</td>
<td></td>
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<tr>
<td></td>
<td>Event specialisms: Conferences, congresses, meetings, awards, product launches, incentives, gala dinners</td>
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<tr>
<td></td>
<td>UK location: Leatherhead</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Staff: 48</td>
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<tr>
<td></td>
<td>Management team: Nick Bender - director</td>
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<tr>
<td></td>
<td>Website: touchassociates.com</td>
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<thead>
<tr>
<th>14</th>
<th>VISTA</th>
<th>Position in last year's table: 14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Clients: Including Lloyds Banking Group, M&amp;S, KPMG</td>
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<tr>
<td></td>
<td>2015 UK event-based turnover: £15.5m</td>
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<td></td>
<td>2015 UK total turnover: £16.3m</td>
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<tr>
<td></td>
<td>2014 UK event-based turnover: £15m</td>
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<td></td>
<td>2014 UK total turnover: £16.8m</td>
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<tr>
<td></td>
<td>Key industry sectors: Retail, financial services, telecoms</td>
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<tr>
<td></td>
<td>Event specialisms: Conferences, exhibitions, awards, meetings and roadshows</td>
<td></td>
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<tr>
<td></td>
<td>Size (UK staff): 98</td>
<td></td>
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<tr>
<td></td>
<td>UK Locations: London and Leeds</td>
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<tr>
<td></td>
<td>Website: wearevista.co.uk</td>
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<tr>
<td></td>
<td>Management team: James Wilkins - managing director</td>
<td></td>
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<table>
<thead>
<tr>
<th>15</th>
<th>THE FRESH GROUP</th>
<th>Position in last year's table: 13</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Clients: Co-operative Group, M&amp;S, Dixons Carphone, Carlson Rezidor, Santander</td>
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<tr>
<td></td>
<td>2015 event-based turnover: £15.5m</td>
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<td></td>
<td>2015 total turnover: £15.5m</td>
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<tr>
<td></td>
<td>2014 event-based turnover: £15.5m</td>
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<td></td>
<td>2014 total turnover: £15.5m</td>
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<tr>
<td></td>
<td>Key industry sectors: Including retail, government/public sector and financial services</td>
<td></td>
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<tr>
<td></td>
<td>Event specialisms: Conferences, exhibitions, meetings, gala dinners, awards, roadshows, teambuilding</td>
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</tr>
<tr>
<td></td>
<td>Size (UK staff): 80</td>
<td></td>
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<tr>
<td></td>
<td>UK Locations: Cheadle, Heaton Mersey</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Management team: Patrick Howells - managing director</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Website: freshwebsite.co.uk</td>
<td></td>
</tr>
</tbody>
</table>
16 BCD MEETINGS & INCENTIVES

Clients: Including Dupont and Pfizer
2015 UK event-based turnover: £15.2m
2015 UK total turnover: £15.2m
2014 UK event-based turnover: £33m
2014 UK total turnover: £33m

Sector specialisms: Including IT, financial services, pharma, professional services
Event specialisms: Including meetings, conferences, congresses, exhibitions, incentives, corporate hospitality, roadshows, training

Size (UK staff): 66

UK Locations: Maidenhead, Berkshire
Overseas offices: in 40 countries with global HQ in Chicago, and regional HQ’s in Singapore and Mexico City
Website: bcdmi.com

17 CIEVENTS

Position in last year’s table: =16
2015 UK event-based turnover: £14.7m
2015 UK total turnover: £1.1bn (Flight Centre UK)
2014 UK event-based turnover: £14m
2014 UK total turnover: £11.91m

Key industry sectors: Pharmaceutical, IT, financial services, automotive, food, drink, tobacco, electronics, government/public sector, retail, manufacturing, media, travel & tourism
Event specialisms: Meetings, incentives, conferences, awards/gala dinners, Christmas parties, congresses, roadshows, teambuilding, incentives

Size (UK staff): 465

UK Locations: London, Manchester, Lowestoff, Aberdeen
Overseas Locations: Specialist event operations in Amsterdam, Paris, Hong Kong, Mumbai
Website: cievents.com/uk

18 ATPi CORPORATE EVENTS AND SPORTS EVENTS

Position in last year’s table: 15
2015 UK event-based turnover: £14.2m
2015 UK total turnover: £310m
2014 UK event-based turnover: £14.2m
2014 UK total turnover: £350m

Key industry sectors: Including sports, construction, energy, financial services, IT, pharma, retail
Event specialisms: Including conferences, incentives, meetings, training, corporate hospitality

Size (UK staff): 30

Management team: Lucy Francis - general manager
Website: cievents.com/uk

19 SMYLE GROUP

Position in last year’s table: 21
2015 UK event-based turnover: £14.2m
2015 UK total turnover: £14.2m
2014 UK event-based turnover: £11.91m
2014 UK total turnover: £11.91m

Key industry sectors: Automotive, electronics, financial services, telecoms, IT, pharmaceutical, media, food & drink
Event specialisms: Including conferences, product launches, awards, gala dinners, roadshows, training, exhibitions

Size (UK staff): 50

UK Locations: London, Hertford
Website: smyle.co.uk

20 BI WORLDWIDE

Position in last year’s table: 24
Clients: Including Toyota, Johnson & Johnson, UPS, Dell
2015 UK event-based turnover: £12.1m
2015 UK total turnover: £44.5m
2014 UK pre-tax profit: £2.5m
2014 UK event-based turnover: £9.9m
2014 UK total turnover: £36.4m
2014 UK pre-tax profit: £1.7m

Key industry sectors: Includes automotive
Event specialisms: Conferences, meetings, incentives, product launches, awards, gala dinners, training

Size (UK staff): 240

UK Locations: Newport Pagnell
Overseas Locations: Australia, Brazil, Canada, China, India, Singapore, USA
Website: biworldwide.co.uk
Top agencies for profit and client spend

A first for C&IT’s State of the Industry Report, we break down the top agencies by both pre-tax profit and client spend.

**TOP 10 UK AGENCIES RANKED BY PRE-TAX PROFIT**

1. Ashfield Meetings & Events 3.84
2. BI WORLDWIDE 2.5
3. TRO 2
4. Grass Roots Meetings & Events 1.94
5. Touch Associates 1.5
6. The fresh Group 1.3
7. Rapiergroup 1.27
8. Inntel 0.94
9. Smyle Group 0.9
=10 Zibrant 0.8
=10 Aspect 0.8

**TOP 20 UK AGENCIES RANKED BY CLIENT SPEND**

1. Grass Roots Meetings & Events 150 16
2. Ashfield Meetings & Events 79.3 30.7
3. Jack Morton Worldwide* 75 52
4. Banks Sadler 71.4 34.6
5. Inntel 62.2 4.5
6. Zibrant 60 17.6
7. George P. Johnson 52 32.6
8. WRG Creative Communication 34.6 23.1
9. BCD Meetings & Events 34 15.2
10. TRO 31 10.7
11. NYS Corporate 28.2 1.6
12. TBA 17.5 17.5
13. Chillisauce 17.3 17.3
14. drp 16.6 11
15. Rapiergroup 16.1 16.1
16. The fresh Group 15.5 15.5
17. cievents 14.7 14.7
18. ATPI Corporate Events and Sports Events 14.3 14.3
19. Smyle Group 14.2 14.2
20. Worldspan 13.7 9.1
MANAGING BUDGETS
Budget remains the top challenge for corporate event planners for the eighth consecutive year. More than a third (39%) of corporate event planners surveyed for C&IT’s State of the Industry Report 2016 said their top challenge is managing budget, while 30% cited budget as their biggest internal barrier to organising events.

While 39% said they expect event budgets to increase in 2016, 25% thought they will remain the same, 12% said they will decrease this year and 24% said their budget has yet to be decided.

L’Oréal head of events Alison Williams says budget reduction is an ongoing concern. “We’re having to produce more for less and it’s an ongoing challenge. We need to extract more value for money. “We’re not organising fewer events than last year, but we do need to deliver on less budget. Our biggest challenge there is through our external events and how we reach out to clients.”

DELIVERING MORE FOR LESS
Williams is not the only corporate planner who is feeling the pressure to deliver more for less. This was named a top challenge by 12% of corporates surveyed, making it the third biggest challenge in 2016, up from 5% and the fifth biggest challenge in 2015.

In-house planners are under increasing pressure to make annual events bigger, bolder and better for the same or less budget, while the number of events scheduled is also increasing – 63% expect to hold more events in 2016 compared to 2015.

“Delivering events on the same budget is a challenge for us,” says Charles Perkin, event manager at financial services company Defaqto.

“Budgets have been kept the same as previous years in terms of cost expenditure for venues, but we have highlighted the need to spend more money on the marketing of the event.”

INNOVATION AND CREATIVITY
Innovation and creativity was cited a top challenge by 10% of corporates surveyed, making it their third biggest challenge in 2016, up from 5% and the fifth biggest challenge in 2015.

The pressure is always on organisers to change up the format of events and come up with unique experiences, venues and locations. Keeping up with the pace of change on the event tech side is also a difficult challenge, with new virtual and augmented reality devices constantly being released, plus apps galore that promise to provide a more engaging experience for delegates.

Speaking at a recent C&IT event, Abigail Wood, vice president, relationship & event manager at Barclays Events, said there are three main challenges to being creative with corporate events: budget, the fact that many calendared events are repeated, and the mindset of stakeholders who aren’t as open to changes.”

“TOP 5 CORPORATE CHALLENGES
L’Oréal, Defaqto, Permira and Barclays on why budgets, delivering more for less, creativity and innovation, time and internal expectations are all challenges for corporate event planners in 2016.”

1. MANAGING BUDGETS
2. DELIVERING MORE FOR LESS
3. INNOVATION AND CREATIVITY

“There are three main challenges to being creative with corporate events: budget, the fact that many calendared events are repeated, and the mindset of stakeholders who aren’t as open to changes.”

TOP 5 CORPORATE CHALLENGES
L’Oréal, Defaqto, Permira and Barclays on why budgets, delivering more for less, creativity and innovation, time and internal expectations are all challenges for corporate event planners in 2016.
who like a certain way of doing things and aren’t as open to changes.

L’Oréal’s Williams also believes compliance can restrict creativity. “I think the amount of red tape we have these days does affect creativity,” she adds. “Everyone is so much hotter on health and safety, which is a great thing, but it’s challenging to meet all the regulations.”

Agencies named lead times as one of their top challenges for 2016, but on the client side it is not having enough time in general – to properly manage and deliver everything – that is keeping 6% of planners awake at night.

Victoria Potter, head of events at Permira, describes her key event challenges as: “A lack of capacity, a lack of resource, and probably people changing their minds.”

In-house teams are often very small, and most don’t expect any growth in resources this year – 63% said their events team would not increase in size in 2016.

Defaqto’s Perkins says he’s a one-man team, with some support from an events executive for creating websites and email marketing campaigns, which makes ensuring he dedicates the right time and resources to every event difficult.

“It is increasingly a challenge. I am taking on additional areas of creating content, which creates several pressure points leading up to delivering events. We’ve got a set calendar of events and we know what we’re dealing with, so it’s about trying to manage the calendar across the year to try and make sure we have resources where we need them.

“There’s also no downtime. August and September used to be a downtime but now our role is continuous. It’s become a full 12-month event delivery process. Constantly moving onto the next one, planning and delivering.”

Wood recommends taking the ‘softly, softly’ approach in these situations. “We try to change one small thing at a time, so they can see it’s going well. For example, we might be doing an evening panel discussion around the economy. We don’t look to change the format, but we’ll maybe introduce a Scriberia board to scrawl ideas on, which adds another element and gives the audience something else to look at,” she explains.
TOP 5
AGENCY CHALLENGES

Recruiting and retaining talent, global economic and political concerns, managing growth, lead times and winning new business are the top five agency challenges in 2016.

1 TALENT/RECRUITMENT
With 83% of event agencies expecting to increase their headcount in 2016, it’s not surprising that recruiting and retaining talent remains their top challenge for the second year running. When asked what the biggest challenge facing their business is, more than a quarter (28%) said talent and recruitment, up from 20% last year.

When asked if recruiting/retaining talent is more difficult than in previous years, more than a third (37%) responded yes, with the majority of those stating that filling senior roles is causing the biggest headache. With so many agencies looking to recruit, there is only a limited pool of experienced candidates, meaning everyone is competing for the same talent.

Sam Robson, group events director at The Appointment Group, says: “For us, the challenge is with finding senior staff members, rather than junior. We need to make sure they’re the right fit for the business and that can be difficult. I think with junior staff, it’s easier to train and mould them for the business. Often senior members of staff have had many different influences, and their style might not necessarily be the right fit.”

Top Banana managing director Nick Terry agrees: “I can get lots of people to interview as good event organisers. What I struggle with is getting people with the right horsepower, intellect and experience to have a conversation at board level and get the strategy to bring it alive.”

2 GLOBAL POLITICAL & ECONOMIC INSTABILITY
While the UK events sector continues to see growth, there are a number of external factors related to economic and global instability that are causing concern for 17% of agencies and their clients.

Eventful’s managing director Caroline Lumgair-Georges says clients are concerned about the global economy, oil price, and terrorism and security concerns. Terror attacks in Paris, Turkey and Brussels, and continued unrest in some Middle East countries, has put clients on high alert and is impacting on destination choice for events.

North Africa and Turkey are largely off the pitch list and persuading clients it’s safe to travel to some destinations is proving difficult. “Trying to find destinations and solutions that are safe is a real issue for people. We’ve had destinations that are perceived to be

“For us, the challenge is finding senior staff members, rather than junior. We need to make sure they’re the right fit for the business and that can be difficult”
safe, like Paris, then things happen and it puts clients off. Trying to make recommendations to your clients is challenging,” says AddingValue managing director, events, Tina Morris.

There is also the recent EU referendum result, with many observers believing the vote to leave will cause economic instability and potentially plunge the UK back into recession.

The Brexit issue will be followed by the US election later in the year, and concerns around how this could impact the US, and in turn global economy, while there are still concerns over the economic slowdown in China.

3 MANAGING GROWTH
An overwhelming majority of agencies (91%) are predicting financial growth in 2016, and managing that continued growth has been cited as a top challenge for 13% of agencies.

Corporate Events sales and marketing director Tristan Norman says: “Because we’re in a rapid growth period, managing that effectively is one of our greatest challenges. It’s important to make sure we’re pursuing the right new business for us, and performing within our capabilities and comfort zone.”

With most agencies predicting an increase in turnover and profit this year, this inevitably means increasing headcount, which links back to the issue of talent and recruiting the right people to manage new business as it comes in.

“Growth is always a challenge because finding good people has never been easy. Getting new people on board is always time consuming and doesn’t always happen quickly,” says Absolute Corporate Events managing director Chris Parnham.

In addition, once businesses get to a certain size, there is a requirement to invest and upgrade infrastructure from IT systems through to HR processes and bigger offices, which further increases overheads and puts pressure on margins.

However, Morris adds that the short lead times are not necessarily a lack of confidence on the client side, but could be linked to new products being signed off and the associated requirement to launch them quickly.

Top Banana’s Terry says short lead times are frustrating and challenging. “People are really making the calls at the last minute. We had a call two days ago and we’re doing the event today,” he explains.

But while all agencies agree lead times are generally short, some believe they are no shorter than in 2015. “I think it’s pretty much the same as it’s been for the last couple of years,” says Touch director Nick Bender. “We’re in May and have literally just had an enquiry for a 1,000 delegate event for July. But generally for larger events for 700+, we tend to get at least six months.”

However, there are signs that clients are booking further ahead and that lead times are actually getting longer for some larger annual events. “We already have confirmations in for 2017 and are talking to clients about 2018, 2019 and 2020,” says Absolute Corporate Events managing director Chris Parnham.

“Two years ago I was only talking to clients about the current year, so confidence is definitely returning.”

5 WINNING NEW BUSINESS/CLIENTS
New business development and winning new clients was a top challenge for 11% of event agencies surveyed.

“New business is always a challenge. Finding new clients will be a challenge for every agency and will continue to be,” says drp CEO Dale Parmenter.

There is no shortage of opportunities to pitch to new clients, with 68% of agencies saying they took part in more pitches in 2015 than 2014. But AddingValue’s Morris feels that there seems to be less loyalty among clients, which can be tough when you are the incumbent agency on an account but also provide new opportunities. “We have been invited to pitch for two new automotive clients that we know have long-standing relationships with agencies,” she explains.

She adds that while the agency is involved in more new business pitches, those pitches are more competitive.

BI Worldwide head of events Shaun Casey says the agency is also being invited to pitch more, but in some cases they involve seven or more agencies.

“We are quite strict in trying to find out number of agencies and we don’t just pitch for anything,” he says, adding that the volume of work required for new business pitches can be extensive.

“The amount of work you have to do to win a piece of business is huge, and so much that is unpaid but professional work that can be dismissed in a matter of minutes. We’re bringing together a vast array of experts and they are often not treated with the respect they deserve.”
Procurement departments have long been portrayed as the bad guy, focused purely on cutting costs and disrupting relationships between in-house event departments and their agencies.

In last year’s State of the Industry Report, there were signs the tide was beginning to turn, with some internal procurement departments becoming more open and collaborative, and agencies in turn understanding the value of getting procurement on side.

That trend has continued, and for the first time in several years procurement didn’t even make it into the list of top five agency challenges, having been named the third and fourth biggest challenges by agencies in C&IT’s 2015 and 2014 State of the Industry reports.

That’s not to say it’s no longer an issue at all. Drp group managing director Dale Parmenter says: “Procurement hasn’t gone away. Some procurement people are fantastic – they get it – others are awful. In the last 12 months we’ve turned down more work than ever before because of unrealistic payment and procurement terms. We have dug our heels in more and more with procurement under unacceptable terms.”

ACCEPTANCE
But there does seem to be an acceptance among agencies that it’s better to work with procurement than complain about them, and as Parmenter himself points out, there many other, potentially bigger, challenges, too.

SVP and managing director of Jack Morton Worldwide’s London and Seoul offices, Mike Kunheim, says: “Procurement challenges will never be replaced. However, I would say it’s evolving and moving to a better place. Procurement teams are far more interested in working with the events team in partnership, driving value rather than lowest cost.

“The opportunities coming through procurement are more open as they work on increasing value and diversifying the service on offer. If we’re organising an event, they’ll encourage us to add more value rather than cutting cost. This could include social media, tech elements or brand blogging, for example.”

BCD Meetings & Events’ Anthony Coyle-Dowling argues that procurement is just part and parcel of selling events into a client, and agencies need to have a process in place to manage it.

“You have got your event managers and you’ve got the procurement team. They support and facilitate a process. They bring best practice and fairness to a process, especially if you are pitching as the outsider and you don’t have the relationship,” he explains.

“You have to work the two different audiences – both the event team and procurement, which you have to have a strategy for dealing with because their strategy and objectives will be slightly different.”

TBA managing director Mark Spragg agrees. “Procurement is just as important in the sales process as a head of events or marketing...
“Procurement has just become another buyer we have to communicate effectively with. I see them as another audience member that we need to convince we’re the right choice.”

REAPING THE BENEFITS

Agencies that do invest the time in getting that relationship with procurement right are beginning to reap the benefits. BI Worldwide head of events Shaun Casey says: “One of our biggest clients is growing and we are getting more work from them because we have the backing of procurement. They see we understand their objectives. They can be an ally if you embrace their objectives.”

Casey, along with several other agency MDs, agree that another positive side to procurement is the rise of multi-contracting. Rather than pitching out every piece of work, some clients are now looking appointing agencies on three- to five-year deals, a move which is largely being led by procurement.

First Protocol managing director Mark Riches says this trend started around 12 to 18 months ago. “Some clients are looking for economies of scale and better service levels and we are definitely seeing opportunities for multi-year contracts as clients want to deal with less suppliers.

“That’s where procurement is having a good part to play, as they are able to advise on those multi-year contracts. As an agency you can be more competitive about your pricing for a bigger piece of work. You are also closer to them, so you know how to better exceed their expectations and it gives you greater buying power and the ability to negotiate with suppliers.”

The benefits of winning these longer-term contracts cannot be underestimated, especially given the uncertainty and turbulent times ahead expected as a result of the Brexit vote.

As Casey says: “The number of clients looking for a three- to five-year deal is reassuring and it’s giving a bit more transparency in the pipeline. It’s comforting, not just having something on your books, but it enables you to work more strategically with the clients.”
Is compliance the new enemy?

Agencies are finding compliance an increasingly challenging and complex issue to manage.

The pressure of procurement may be starting to ease, but a new enemy is emerging for event planners – compliance.

Almost half of UK agencies (48%) believe compliance has become a greater challenge to the industry in recent years, with data protection topping the list of concerns.

Giselle Ripken, director of meetings and events at Grass Roots Meetings & Events, says that the compliance challenge is two-fold, with staff training and agency infrastructure both playing an important role.

“European data protection laws have become stricter,” she says. “It used to be that as an agency, once you transmitted data, you were no longer responsible for it. Now you must be sure that the person receiving the data follows compliance regulations. The chain between client, agent and supplier is more closely linked than ever.”

Fay Sharpe, managing director of Zibrant, says compliance and data protection regulations are a necessity for all companies, and not restricted to the events industry.

“Whatever your business, you must have good housekeeping; invest in your infrastructure and train your staff,” she says. “You can test the processes you have in place to ensure they’re working. For example, we did an internal test last week with a bogus set of activities, which went out to 30 people. I got a message but didn’t open it, due to the strict policies we have in place.”

TECHNOLOGY

For Ripken, the technology boom has increased the challenge of data protection. “The use of technology is ever increasing, which means data could be sitting in multiple places – for example, the use of iPads, smart phones and apps.” When it comes to event apps, she advises agencies to ensure they are extremely careful about the information they include. “In most cases you will only be able to contact someone once you’ve requested to network with them, otherwise this information will not be available to you.”

She adds that a social media policy is also crucial, as Twitter, Instagram and Facebook continue to dominate events. “I think it’s important for agencies to introduce a social media policy, if they haven’t already. This means that employees never mention clients, location, type of event or any other information when they’re tweeting or uploading Facebook posts.” Ripken points out that while it’s harder to stop people from breaking compliance regulations at public events, it is possible to monitor the systems.

ASKING THE RIGHT QUESTIONS

Alison Williams, head of events at L’Oréal, says that whatever the event, ensuring data protection is an integral part of the planning process, with no exceptions. “Data protection is something we’re very hot on and it’s a huge issue for us when choosing who to work with. We audit every supplier we work with and go through a series of processes to ensure complete protection.”

While many corporates know the right questions to ask, Sharpe argues that in some cases, awareness is lacking. “Sometimes when pitches come in, data protection doesn’t seem to be as high priority. They don’t ask as much – perhaps they take it as a given, and I do wonder if all agencies are equipped to deal with it.”

Ripken adds that it’s important for corporates to be aware of every aspect, not just data held on servers. “Take badges, for example. If it has a bar code, with data on it, we need to make sure these aren’t just thrown away. We need to ensure they’re always disposed of properly and that we deactivate any lost badges.”

ALTERNATIVE DATA STORAGE

In the past, small agencies have been questioned on their ability to meet compliance laws, due to their lack of resources. Chris Clarke, director of Purple Dog Solutions, says it doesn’t have to be as challenging as people think.

“As a small agency, nothing I do is stored on a server, everything is on The Cloud,” he explains. “It’s sometimes easier to be a small agency than a large one, because we don’t spend a lot of money on servers. I’m able to keep track of all our data and I know it’s protected.” He adds that agencies of any size should only take the data they need, and never share more than is necessary. “For example, some people seem to take an extraordinary amount of data for registration now. I just don’t see this as necessary.”

However, as data protection laws were in place before clouds were created, he maintains that agencies still need to be aware. “Cloud data protection doesn’t cover old-fashioned laws for printed materials. But this is about training and basic common sense. Never leave documents lying around, destroy materials post-event and never take more data than necessary.”
Event tech trends

C&IT discovers that while virtual reality is gaining traction, mobile apps and registration systems remain the most invested-in event techs by agencies and corporates.

When people talk about event technology, it's often the more exciting developments like drones, virtual and augmented reality and holograms that get the most attention.

“It’s an exciting time for technology in events,” says Tristan Norman, managing director at Corporate Events, and he’s right. But while virtual reality is definitely on the rise, mobile apps and the less exciting, but no less important delegate management and event registration systems, are seeing the most investment in 2016.

Event apps have retained the rule of the land for a second year, with a 20% of corporate event planners and 26% of event agencies surveyed for C&IT’s State of the Industry Report earmarking them as the area of event technology that they have invested in or are planning to invest in the most.

Delegate and event registration systems followed closely, with 16% of corporates and 18% of agencies highlighting this as a main area of tech investment in 2016.

“Anything that can help the client gather and evaluate feedback and show a tangible return is always good,” says Norman.

The Swindon-based agency, which works with the likes of Mini, Heineken and BMW, is an advocate of the power of technology to enhance the ROI of events.

“Apps have been around for a while but they’re still helping to develop interactivity between the speaker and the clients,” he adds.

Managing director of Absolute Corporate Events Chris Parnham says his agency regularly uses apps, as well as venue-finding platforms, delegate registration systems, and other tablet specific software. “We use it to enhance the delegate experience, create marketing opportunities for exhibitions and to transfer data between delegates and exhibitors.”

FROM LUXURY TO NECESSITY

Event apps and other delegate-facing technology, such as live streaming and live voting, have evolved from being considered luxury expenditure to a necessity as continued investment from developers and interest from businesses flows their way.

But the ‘behind the scenes’ software that makes managing the event easier is also crucial.

“We’re developing our own event app that will mostly be used for accommodation and bookings,” says Sam Robson, group events director at The Appointment Group. “It will enable people to look at bookings for flights, which will be great for incentive trips.”

The agency has also improved the usability of its delegate registration websites because it knows that more and
more of its clients and customers are engaging with events via smartphones and tablets.

Robson argues that being reactive like this is very important: “In terms of using new technology, we’re very much client-led. If a client is very tech-focused, we’d consider new options.”

**VIRTUAL REALITY**

The tried-and-tested event apps and delegate registration systems remain clear favourites. However, the slow but steady rise of virtual reality (VR) is a tantalising proposition for event planners searching for the new technology trend.

“VR is probably the number-one key trend that people are trying to tap into,” says Corporate Events’ Norman.

Many in the events industry are keeping a close eye on VR as tech pioneers like Google and Samsung spearhead the charge to bring the software to the mainstream market.

Around 12 months ago it was unclear what virtual reality’s entry point into the events industry would be, but now it’s obvious. Take a stroll along the IMEX and IBTM World show floors and the sight of event professionals clad with futuristic headsets gawping at their shoes or straining their necks 180-degrees is common.

Destination and venue suppliers such as the Singapore Tourism Board, Las Vegas Conventions and Visitors Authority and Kerzner International Resorts have invested in the technology as a new way to show off their product, transporting delegates from an exhibition centre in southwest Germany to the Sin City strip in moments.

Eventopedia, the online venue-finding platform, is another company in the industry that is trying to find a place for VR in the events industry and founder and COO Alan Newton is adamant this technology will be here to stay.

“We have talked about using some virtual reality with clients, but in other situations it could be an extravagance without an obvious purpose.”

“Virtual reality is transcending borders and boundaries and if it is used in the right way it can extend audience and target reach.”

SVP and managing director of Jack Morton Worldwide’s London and Seoul offices Mike Kunheim agrees and believes that VR’s potential is only just being realised. “I think VR is going to be big in this industry.”

However, Kunheim adds that the business world will have to wait until the consumer market fully adopts the technology until it begins to make serious waves in the events sphere.

Others warn that VR should be adopted with caution and not just added to an event because it’s the latest hot tech on the market.

“We have talked about using some VR with clients, but in other situations it could be an extravagance without an obvious purpose,” says Top Banana managing director Nick Terry.

It’s 2016 and even though consumers can buy drones from Amazon, CEOs can attend conferences in holographic form from the other side of the world and flying cars are beyond prototype stage, technology is still perceived as a risk – especially in events.

“We’re looking at event apps, but I’ve been to events where the technology hasn’t worked so I get very wary of implementing it when it could go wrong,” explains Charles Perkin, event manager at Defaqto, one of the UK’s largest retail financial product and fund databases.

Building and implementing technology comes at a big cost, and if the Wi-Fi or the software malfunctions, that investment goes right down the drain. But there is no denying that when used properly, merging digital and technology with live events is a winning combination that can create engaging and immersive experiences for delegates that go beyond the live event itself.
Event technology: the corporate view

As the world becomes more virtual, C&IT asks event experts about the kit that excites them most.

AMY BROWN
Head of events
EMEA, Google

I think virtual reality is going to be big across the sector because it’s the latest thing. At the moment I adore Google Cardboard. The virtual reality experience means you can do anything from swimming underwater with sharks to visiting an American Indian reservation. We ran an event where David Attenborough was speaking, and we used virtual reality to recreate the places he was talking about and help people feel really immersed. Another tool I love at the moment is the Google Translate app, which you can hold over text to get translations. Everyone knows that you can type words into Google Translate, but I don’t think everyone is aware of the app.

REBECCA GOODMAN
Events specialist,
Ageas UK

I recently spent the day with Zibrant, where they showed me a digital film card that can be sent through the post. They are perfect for keeping an event alive, even after it has finished. Delegates receive a digital card the size of a credit card, which looks like any other digital screen you would see online, and when they hit the play button they can relive the event through the power of the film. It’s amazing and would be perfect for events such as senior leadership conferences, where you want guests to remember the key messages from the event. I would like to be more adventurous with the technology we’re using, so these are something I’d be keen to try. We’ve also started using more video content and I’d really like to start making better use of smartphones at events.

SARAH LAWRENCE
Business events expert, B&Q

We have 30,000 people in our company, so an event app can be a great tool that allows us to engage with all of them. When I last introduced an app for an event, it was not only for the delegates who were attending, but also for the other employees in our stores so they could engage with the event, see the content and pictures and post things up there, despite not being present. That made sure we got a lot of engagement and delegates were blown away by the fact that the whole board were there on the stage, answering all these questions. I also believe that online registration systems are invaluable. We have one that we can also use for evaluation purposes after an event – it’s a really useful tool.

CLAUDIA GOSS
Events executive, ESI Media

We are increasingly using virtual reality. At one of our recent events the Oculus Rift technology went down really well with the delegates – they were queuing up to have a go on it. So we are definitely looking to carry on featuring those experiences because they’re great for brand activations. We haven’t used drones yet, but we’re starting to do a lot more with 3D mapping and projection. Instead of just having a standard PowerPoint presentation, we’re looking at how we can make projections that are more interactive and exciting for people. So not just putting something up on a wall, but perhaps having something that surrounds the delegates in 3D.

KATE CONWAY
Events & dealer marketing manager,
Hyundai Motor UK

I like Google Cardboard and want to use it more. We launched a car last September and had a training event supporting that in August, where we used Google Cardboard to showcase the vehicle’s interior. All of our delegates were given a 360-degree look at the car – it really engaged them and marked the changes in the vehicle. People can only concentrate on a talking presentation for a while, so doing something different is more engaging. It’s not too expensive, either – the agency I chose spent a day in the vehicle filming it, then another couple of days making the footage for the iPhone. After that initial cost, the rest was just the bits of cardboard. I thought it worked really well as a tangible product delegates could explore, though I’m not sure it would work for something intangible.
Competition for the best event professionals has never been tougher, with agencies recruiting heavily to meet increased demand from clients, resulting in plenty of vacancies but also recruitment woes for employers. C&IT’s State of the Industry Report revealed that 75% of agencies saw headcounts increase in 2015, with a further 83% planning to add new team members in 2016. Even on the client side, there is growth in team size, albeit it a lot lower, with 35% of corporates increasing the size of their events team in 2015, and 25% expecting an increase in 2016.

Over the last few years, it has shifted from an employers’ market to an employees’ market. This is resulting in more competition for the best talent and making it hard for employers to find the right people to fill the growing number of vacancies – something that could potentially get even harder now the UK has voted to leave the EU.

More than a quarter of agencies (28%) mentioned that finding new talent was one of the biggest challenges they were facing at the moment, 8% more than reported it as a top challenge the previous year. And more than a third (37%) agreed that recruiting/retaining talent is more difficult than in previous years.

“A top challenge for us is staffing,” says Natalie Duffy, business development manager at In2Events. “The agency has got so much busier this year that it has been a challenge to find the right talent pool. We’ve boosted the team quite considerably with three new starters.”

SENIOR STAFF
One of the biggest issues with recruitment is currently filling more senior roles where people with prior events industry experience are required. Many agencies also said that finding people who fit in with the agency’s culture and ethos can also be challenging.

“For us the challenge is with finding senior staff members, rather
than junior,” explains Sam Robson, group events director at The Appointment Group. “We need to make sure they’re the right fit for the business and that can be difficult. I find that junior staff are easier to train and mould for the business. Often senior members of staff have had many different influences, and their style might not necessarily be the right fit.”

Anthony Coyle-Dowling, senior director, business development & marketing at BCD Meetings & Events, agrees. “I have just recruited a new business development director and it took me a long time to find that person, though I did interview a lot of people. There were a lot of candidates not fully prepared for interviews and not very impressive,” he comments.

Another issue that emerged when looking to recruit senior staff was the competition from other agencies, and the fact that senior staff are often happy in their roles and want to stay put. A number of agencies therefore use their own training programmes to try and advance people through the business, helping retention while solving the problem of a lack of senior and mid-level staff.

Tina Morris, managing director of events at AddingValue, says: “There is a big gap in the bank of resources available for agencies – we’re missing people who become that next level of manager, one down from of account director level. So we are training those up internally instead. We look to employ all-rounders rather than people who are either production focused or logistics focused, groom them and keep them here. Of course people move on, so keeping talent is one of the most important challenges.”

NEWER TO THE INDUSTRY

It’s not just at a senior level where recruitment challenges lie. Some agencies also agreed that there were problems securing good people for the junior roles, too, though the issues were different.

“Employee demand is very high, even at entry-level stage,” says Morris. “We’ve found a couple of very good candidates who have had unrealistic expectations of salary for the level they are at. Some agencies are offering really unrealistic packages, which is a challenge.”

Coyle-Dowling says: “Something that is more of an issue with new talent in the industry is that our industry is not ‘nine to five’ and people sometimes join with the expectation that they can come in and leave on time. In the event world, the clock doesn’t stop. The fun is high and it’s a great industry to be in, but you have got to put in at least six months and deliver your first event and experience that high – and some people just don’t have the patience and turn away too soon.”

One way to increase the amount of talent coming into the industry is to reach out to young people. There have been a number of new event management degrees and apprenticeships springing up recently, but some in the industry believe more could be done to showcase the attractiveness of events.

Dale Parmenter, CEO of drp, says: “Getting enough people interested in events is key, as the numbers have been diminishing in recent years. How do we communicate how great this industry is to young people?

“As an industry we need to be going out there and doing more to target the 12+ age groups. A lot of other industries are doing that and doing it much better than we are. We all moan about lack of talent and not enough people coming into the industry, but we agencies need to do more about it.”

BREXIT ISSUE

Now that the UK has voted to leave the EU, some event planners are worried that recruiting new staff could become even more difficult. Currently, the events and hospitality sector employs a great number of EU citizens, and there are concerns about how this could be impacted by the Brexit vote. This could make it harder to employ those coming from the EU and put people off coming to Britain to work in the first place.

Alan Newton, founder and COO at Eventopedia, says: “The statistics show that we’re an industry heavily reliant upon migrant workers, with the figure as high as 60% in London. More than a third of those workers are in skilled or managerial roles, so we’re talking about a generation before we can reasonably introduce the required change in culture, education and training to plug the gap, and we’ll be missing the cultural advantages that go with having an immigrant workforce.”
Vertical victors

C&IT breaks down the events industry into sectors, finding out which ones are splashing the cash on meetings and incentives.

For the second year in a row, financial services and automotive clients are the most prevalent, with 78% of agencies working with auto clients and 91% dealing with financial services.

Dale Parmenter, managing director at drp, says: “There is lots of growth in the finance and professional services sectors with activity in a whole range of events. Reward ceremonies and recognition events took a dive but they’re all coming back, especially in these two sectors. I suspect that incentives are also coming back, which, as well as recognition, is an important part of internal communications and motivation.”

TBA managing director Mark Spragg says: “Automotive is performing reasonably well and we certainly seem to be in a period of confidence compared to years gone by.”

However, the confidence in these sectors is not felt across the board, with a number of agencies reporting that clients have lower spend or the same budgets as before, despite demanding more for their money. “I think budgets are pretty flat and in some areas decreasing, says Tina Morris, managing director, events at AddingValue.

“Automotive client budgets have decreased this year. It’s not that budgets are smaller as such, but people want more for the budget that they have. Telecoms budgets have decreased as well and their expectations are still high. As a result, we are looking to expand into new areas where there is more potential for budgets to increase.”

NEW TECHNOLOGIES

As well as the more traditional sectors, this year’s State of the Industry Report has also shown a rise in agencies working for newer technology and IT companies.

Almost three quarters (74%) of agencies had IT clients among their client base, while many reported a blooming market among smaller start-ups and social media companies.

Alex Hewitt, chief executive at AOK Events, says: “Social media is an extremely competitive sector, which organises very creative events. Many of these companies didn’t exist at the start of the century and they are going through periods of hyper growth. Events activity and large programmes are booked very last minute, though, which is quite tactical, and we have to respond accordingly.”

Natalie Duffy, business development manager at In2Events, agrees: “There is lots of activity in the technology sector and that is our biggest category. They are busy and very confident at the moment and those companies are hosting more of their own events. For us it means the brief can be more creative and we can provide an experience that is different.”

DEPLOYING DIVERSITY

Something the vast majority of agencies agreed on was the importance of having a number of different clients from different sectors, which provides protection against a sudden decline in any single sector. Also, agencies reported that it is often hard to tell which sector would offer the most opportunities.

Nick Terry, Top Banana’s managing director, says: “We’ve deliberately gone out of our way to have a spread of sectors we serve. We work with pharmaceutical, automotive, retail and finance. I think that every sector we’ve got, when you look at them they have big, globally driven issues. For example, they might be affected by China’s drop in demand. So our solutions have to be more focused and no sector has suddenly become a cash cow for us, as so many sectors have companies that are struggling with big issues.”

“For events, we work in a variety of verticals across various industries,” agrees Anthony Coyle-Dowling, senior director, business development & marketing at BCD Meetings & Events. “It feels like a safer strategy to not focus too much on one sector. We have seen good wins this year, one in the drinks industry and one incentive for a toy company. But I think you can share best practice for events through all sectors, from banking through to drinks.”
Meetings are back

Agencies are reporting a spike in meetings and conferences in 2016.

Incentives have hogged the spotlight in C&IT’s last two State of the Industry Reports as the event format that was seeing a huge increase in demand from clients. However, while 17% of agencies are still reporting growth in incentives, this year it’s meetings and conferences that are seeing the biggest spike.

More than a quarter (28%) of agencies have seen rise in demand for conferences and meetings over the last year. Brian Kenworthy, managing director of TMB Events, says this is in part due to a growing need for companies to communicate with staff and distribution contacts on a face-to-face level.

**TECHNOLOGY**

“There’s been a boom in technology, which has been fantastic because it’s become so easy to communicate messages quickly and easily,” he explains. “But if a client really wants to engage and enthuse a group so they can bounce off each other and share ideas, you really need face-to-face meetings or conferences.”

Adding that meetings and conferences can ‘harness the power of a collective group’, he argues that a real community feel can never be achieved solely through the use of technology.

“I think there’s a place for both technology and meetings, but those face-to-face conferences really have more of a personal impact – and that’s what people are looking for. Technology can always be integrated into events.”

Kenworthy also points out that meetings enable people to move away from their usual environment, which could increase levels of concentration and learning. “I think when people are away from their desks, they can concentrate more on the updates. It’s easy for an email communication to be lost on a busy morning in the office.”

**BREXIT**

With the recent news about Britain’s impending exit from the EU on the forefront of everyone’s minds, Kenworthy says we could see a further rise in the number of meetings in the corporate world. “Now that we’ve hit a period of uncertainty with Brexit, I think there will be an even greater focus on meetings, as companies rush to update their staff and suppliers.”

Eventful’s managing director Caroline Lumgair-Georges echoes these thoughts. “There has been a delay in the confirmation of meetings and events over the past six months due to companies awaiting the Brexit result, even though it’s probably too early to tell what the long-term implications of that result will be. We are definitely seeing growth in meetings, which is a key area for us. It just goes to show that business is all about relationships and in uncertain times, the need to continue face-to-face meetings and live events is more important than ever.”

**EVLING BRANDS**

James Wilkins, managing director at Vista, says the shift towards meetings is largely down to the evolving nature of corporate companies. “The world is moving faster than ever and corporate organisations are seeing lots of changes as a result. They need to communicate these messages quickly to their internal teams.”

He adds that brand image has never been more crucial to organisations and that regular meetings are needed to ensure that those brand values are properly communicated to people at every level of the company.

**REGULATORY CHANGES**

In certain industries, such as pharmaceutical and finance, changes to laws and regulations have also contributed to the rise in meetings, as companies rush to update staff.

Clare Moses, team leader on the Barclays events team, says her team has seen a rise in demand for meetings and face-to-face events, many of which have very short lead times. “In the financial markets we’re working towards structural reform, which means there will be more meetings on the horizon to communicate change. While we previously had a bit of a slow period for colleague events, it has picked up again, she explains. “People recognise the value for face-to-face interaction over online. It’s not always appropriate to share messages online and meetings give people the opportunity to regain that human touch.”

She adds that following the recent referendum result, there is likely to be a further increase in the number of meetings across all corporate companies. “Leaders will want to reassure their employees during a time of uncertainty. From our perspective, stakeholders are definitely more invested in face-to-face meetings than they have been in recent years.”
Off the pitch list

C&IT’s survey reveals that corporate and agency event planners are avoiding destinations such as Turkey, North Africa and Paris due to security concerns.

If you asked any event planner their primary criteria for destination selection a year ago, it’s likely that cost, accessibility and flight time, quality hotels and venues, ‘wow’ factor or a combination of the above would have topped the list.

Ask the same question now, in the light of recent terror attacks in Turkey, Paris and Brussels coupled with health fears over Zika virus in Central and South American regions, and ‘safety and security’ have been firmly propelled to the top of the list.

This has in turn had a huge impact on which destinations are being booked for conferences and incentives in 2016, with some locations like Turkey and North African countries completely off the pitch list.

Some 40% of event agencies surveyed for C&IT’s State of the Industry Report said they had seen a decline in interest for Turkey as a result of security fears, with half of those specifically naming former favourite Istanbul.

Meanwhile, almost a fifth (18%) said they had seen a decline in interest in Morocco, while 14% cited Paris, 12% Brussels and a further 11% said North Africa in general. On the client side, 10% said they would no longer travel to Turkey due to security fears and 8% were put off Morocco.

Other destinations mentioned included Jordan, UAE, Lebanon, Tangiers, Tunisia, Greece, South America and even London.

Jason Sullivan, employee engagement and recognition manager at Colt Technology Services, says finding a suitable destination for incentives for a global company is one of his biggest challenges.

“We have lots of people coming from different destinations, so it can be hard to choose a place,” he explains. “We need to ensure our destination fits budget criteria and will fulfil the objectives of the events.”

“We also have safety and security issues to consider. Much of the Middle East is ideally located, but many countries are too risky to visit. We wouldn’t travel to Turkey or Egypt, for example. When you start looking at the map, you realise how many places are off limits.”

Anthony Coyle-Dowling, senior director, business development & marketing, at BCD Meetings & Events, says the agency has had events cancelled in Paris, Brussels and Istanbul this year and is finding Marrakech a hard sell.
ZIKA THREAT
AddingValue, meanwhile, had to move an event from Rio de Janeiro at the last minute earlier this year. “It’s not just terrorism, but also we’ve had problems this year with the Zika virus. We had a programme in Rio that was moved to Dubai with four weeks to go, which obviously had cost implications because we had to pay cancellation fees,” says managing director, events, Tina Morris.

“Trying to make destination recommendations to clients is a challenge at the moment. I feel sorry for places like Marrakech and Istanbul as they are great places that meet lots of objectives for our clients but they are a complete ‘no go’ at the moment,” she adds.

Agencies agree that once a client has concerns about a specific destination, it’s difficult to persuade them otherwise. So while Paris is not necessarily any higher a threat than other major cities such as London, the recent attacks are fresh in people’s minds and it does impact on decision making. And sadly, this can mean that many destinations nearby are also tarred with the same brush simply due to proximity – so for example the other destinations in France or Belgium may be off the pitch list for some clients because of the problems in Paris and Brussels.

FEAR FACTOR
Touch director Nick Bender admits that some organisations are just not comfortable with using Muslim countries at the moment. “Political uncertainty and terrorism unfortunately breeds fear,” he comments.

Shaun Casey, head of events at BI Worldwide, agrees and adds that anywhere perceived to be a little too exotic could be off the radar at the moment as in-house planners are reluctant to take any risks.

“When you are booking and financially committing to something three or four months out, there is the chance you could lose out financially. The corporate planner is always thinking ‘it’s my job on the line if I get it wrong’. It’s not necessarily fear, it’s protecting yourself,” he explains.

On a more positive note, Bender believes that Istanbul and Morocco will bounce back. “There was a big switch off from Athens several years ago, but now it is coming back. So some destinations just have to sit it out and with for things to calm down,” he says.

In the meantime, clients will stick with those destinations that are perceived to be safe such as Spain and Portugal, which could have implications on cost and availability. “All this business shifting out of North Africa and Turkey has to go somewhere, so we could see prices rise in favourites such as southern Spain and Portugal – this is already happening in the consumer market and that could spill into the shoulder seasons, which are often peak incentive times,” says Casey. But the world is a big place and there are plenty of lesser-known destinations to choose from.
On the pitch list

While the traditional C&I heavyweights in Europe and Asia remain popular, brands are more confident than ever to trial emerging destinations as they hunt for new experiences.

The last two years have seen incentive travel bounce back in formidable form with budgets, although not increasing greatly, being invested back into long-haul travel.

The US, Beijing, Croatia, India, Iceland and Vietnam are just a pick of the destinations that corporates have taken their events to in the last 12 months and thanks to more flight options and a wave of hotel and venue openings around the world, the infrastructure is there and ready to welcome the demand.

“We’ve taken incentive groups to Venice, Verona, Cannes, Russia, Miami, Zanzibar, Peru and Lapland,” says Absolute Corporate Events managing director Chris Parnham. He adds that the less-explored parts of the world are the places that are securing his agency’s incentive business. “They can sometimes put clients off because they can be difficult to navigate, but if you can crack that you can create a really unique programme.”

GREECE MAKES A COMEBACK

Destinations that were once shackled by political or economical problems are now beginning to rebuild, and after a few years of stability, confidence is returning. There is no better example than Greece. “Greece is coming back and we regularly quote Athens for our conferences,” reveals BI Worldwide head of events Shaun Casey.

Furthermore, destinations like Cologne, Porto and parts of Spain, which have strong infrastructures and a variety of venue options, were named as new destinations for 2016 by event professionals in the survey, and these hotspots are taking enquiries off their larger and more popular European neighbours like Barcelona and Berlin.

As a result, Alex Hewitt, CEO of AOK Events, says that the agency has noticed an increase in interest for Austria. “The infrastructure in Austria is absolutely first class, the whole country is absolutely spotless, and it’s a piece of cake to get to.”

LESS-EXPLORED PLACES

“[Less-explored places] can sometimes put clients off... but if you can crack that you can create a really unique programme”

INTERNATIONAL IMPETUS

Even if clients aren’t necessarily picking new destinations, the increase in overseas events is pleasing to a lot of agencies whose budgets were restricting them to the British Isles only.

“We’re definitely doing more overseas,” says In2Events client operations manager Natalie Duffy. “Comparing 2013 to now, 30-40% of our enquiries are for overseas and while Europe is getting more business, we’ve had enquiries for South Africa, the Caribbean, Australia and New Zealand, too.”

However, a barrier that some brands are still struggling to hurdle in 2016 is perception, which as a result is restricting them from choosing the more exotic destinations.

Yvonne Ashmole, marketing director, events, Willis Towers Watson – a global advisory and solutions company – explains:
“Holding a two-day conference in Mallorca or Cyprus wouldn’t work for us because they’re not business-focused enough. Our clients need to feel comfortable justifying their attendance at a time when travel and expenses are often closely monitored.”

Having said this, Willis Towers Watson was able to deliver a large pan-European event in Venice for the first time this year; a destination that was both business-focused enough and that offered a point of interest for its delegates. “We hadn’t used Venice before because we thought it would be too logistically challenging. However, it has good accessibility and a good range of airlines that fly there.”

**CAPITAL COLOSSUS**

Back in the UK, the capital is still dominant. “Down to the huge number of hotels and event spaces currently being built I cannot see that changing in the foreseeable future,” says Hewitt.

Just in the last year, InterContinental opened one of the largest ballroom spaces inside a hotel at The O2, the stylish Hilton London Bankside opened on Southwark’s ‘Design Trail’, and East London’s ‘Tech City’ welcomed its first luxury hotel, M by Montcalm Shoreditch.

In the next three years, London will see a further 19 five-star properties open its doors to C&I business, increasing the city’s current stock of luxury accommodation by nearly 25%.

This reason, Hewitt says, is why three of every four of the agency’s bookings are placed in London. “Nowhere else in the UK is investing in a similar amount of luxury event space and accommodation.”

London’s eternal downfall is cost, a factor that corporates and agencies alike have had to get used to. However, In2Events’ Duffy says her clients have had enough. “Cost is pushing people out of London. The European destinations are coming up cheaper and clients are happy to travel.”

Cities outside of London, such as Manchester, Birmingham, Edinburgh and Bristol, continue to improve all the time as they jockey for the business that isn’t going to the capital.

Major events like the International Festival for Business that took place in Liverpool in June and the opening of Belfast Waterfront’s new multi-million-pound exhibition space have had positive effects on inbound conference business, and it’s these vital investments that make the supplier industry a more competitive landscape.

For example, while the 2014 Commonwealth Games helped secure Glasgow’s best ever annual return of conference business, with £141m banked, the Glasgow City Marketing Bureau (GCMB) cited the importance of understanding its ‘knowledge hub economy’ to secure large-scale events relating to key economic sectors.

“In 2015/16, nearly half (48%) of all conference business confirmed to Glasgow for future years was in our key economic sectors of life sciences, medical, energy, sustainability, low carbon industries, engineering, financial and business services – which represents 10% growth on the previous year,” explains Aileen Crawford, head of conventions at GCMB.
Forecasting in the events industry is challenging at the best of times due to increasingly short lead times and large one-off non-repeat events, which can mean profits spike and dip from year to year. When C&IT surveyed almost 200 agencies and clients to gather data on key trends and challenges for our annual State of the Industry Report, the forecast was optimistic. The majority (91%) of agencies were predicting improved financial performance in 2016, although Brexit was also cited as the biggest threat to the sector by 20%.

Since 23 June, when the UK took to the polls and 52% voted in favour of leaving the EU, there has been a dramatic change in the industry’s ability to forecast and its likely that depending on where they are in their current financial year, some of those agencies previously predicting growth may now not be so sure.

At C&IT’s State of the Industry MDs dinner, held in partnership with Cvent at The Savoy London, Absolute Corporate Events managing director Chris Parnham described the situation as like a veil being suddenly dropped.

CLOUDY HORIZON
“The future is now cloudy. People don’t invest serious money unless they can predict the future and we don’t know what’s going to happen tomorrow, next week, month or next year.”

In the run up to the referendum, there was a sense of ‘wait and see’ as clients put off confirming events due to the uncertainty, with a spike in activity expected if the remain camp won. But events and marketing budgets are usually among the first to suffer in the event of economic uncertainty as they did in the recent recession.

With the leave result and the complete lack of clarity as to when and how the UK will negotiate Brexit, the uncertainty has worsened.

“It still feels too early to tell what the full impact will be, says Jason Wilcock, chairman of Worldspan. “We’re coming up to summer, which is a quieter time for the industry anyway, so until September I don’t think we’ll really know.”

There is already some evidence of clients postponing events. First Protocol managing director Mark Riches reveals that $100,000 of business from its New York office was postponed in the week following the referendum, so the ripple effect is being felt globally. At the same time, another client in the UK booked a last-minute event in their offices for key clients on Brexit.

“You have no idea what could be happening tomorrow – you could have a cancellation, or you could find clients suddenly need an event.”

“The only thing you can take away from that is you have no idea as to what could be happening tomorrow – you could have a cancellation, or you could find clients suddenly need an event,” he comments.

One of the positive things to come out of the recent recession, according dip group managing director Dale Parmenter, is the
fact that “clients aren’t just running events for the sake of it any more” – only when there is a real business need and proven ROI. It’s not like before the recession, when event spend was seen as frivolous and objectives and ROI rarely considered, or pre-FCA regulations when financial services firms spent serious budgets on corporate hospitality. Despite the panic and hysteria, business has not suddenly stopped overnight, and there is still going to be a need for those events that have a serious business objective or message, perhaps even more so post-Brexit as companies seek to reassure staff and clients.

Pre-referendum, a number of agencies including Jack Morton Worldwide and Absolute Corporate Events said that visibility into 2017 was much clearer, with clients booking further ahead. “We’re seeing much more visibility for next year than we’ve had in previous years, with more advanced bookings. I think we’ll see a further development of experiences as content and I continue to be excited about what 2017 will bring,” says Mike Kunheim, managing director and senior vice president at Jack Morton Worldwide.

BUSINESS PIPELINE
Absolute Corporate Events’ Parnham agrees. “We already have confirmations for 2017 and are talking to clients about 2018, 2019 and 2020, so confidence is definitely returning.” “Corporates in general are more stable, and the absence of events in some sectors has reminded clients how important communication and motivation events can be in increasing business performance, so they’re investing and planning accordingly.” It’s unlikely that all of that business already confirmed will cancel. Business will continue as usual, but the referendum result has made forecasting “virtually impossible”, according to The fresh Group managing director Patrick Howells. This in turn makes it harder for event agencies to make informed business decisions.

INVESTMENT ON HOLD
Parnham believes the uncertainty will impact investment decisions by event agencies. “I have put recruitment on hold. You keep doing business as usual, but you don’t get a second office, or expand overseas or get that new sales team. Those decisions will be shelved.” Many MDs have admitted knowing what message to give to staff is a challenge. Geoff Iredale, head of client services at Brandfuel, says some team members have asked if their jobs are safe. “Obviously we want to say the answer is ‘yes’, but in reality you can’t make those promises.” But Grass Roots Meetings & Events director Giselle Ripken says: “It’s okay to admit that we don’t know – better than give false promises. But we can say that we’ll pull together and work through this. After all, we’ve got through much worse as an industry.”

“It’s ok to admit that we don’t know – better that than give false promises. After all, we’ve got through much worse as an industry”