

How much is it worth?

It is extremely difficult to put a monetary value to how much a country's business events industry contributes to its GDP.

Caroline Boey takes a look at what needs to be done

Seven years ago in 2010 was the last time an official dollar figure on the contribution of the events industry was published.

The WTTC (World Travel and Tourism Council) reported it was worth more than US\$650 billion out of the total tourism industry contribution of US\$5.7 trillion, which accounts for more than nine per cent of global GDP. Is it an accurate figure and what is the dollar figure today?

"Nobody knows," Oscar Cerezales, chief operating officer, MCI Group replied. "There are reports and stats but the direct value is difficult to measure and the indirect is almost impossible. That said, if you need a number, US\$650 billion is 'accurate'."

Cerezales supported his estimate based on a recent PricewaterhouseCoopers study, which put travel and tourism at US\$865 billion in the US, with US\$280 billion accounting for meetings direct spend. With world meetings contributing three to four times more, he put the events ballpark figure at around US\$700 billion.

Primarily, Cerezales said, it is because there is no global agreement in methodologies like ISO, and calculations in

most countries are based on tourism KPIs.

Figures aside, Joint Meetings Industry Council (JMIC)'s executive director, Rod Cameron, pointed out that it was only in the last few years that there has been a growing appreciation of the value events create in terms of knowledge transfer, innovation, and business stimulation.

But these values, he noted, are difficult to measure with any precision, and methodologies are just being developed. However, the meetings industry is fragmented, has limited collective resources and progress has been slow.

Earlier this year in January, JMIC launched The Iceberg, not only as a vehicle for industry advocacy, but also specifically to showcase the content of its Case Study Program.

Cameron said JMIC, in collaboration with an international academic panel coordinated by the University of Technology Sydney, is publishing academically rigorous studies of the outcomes and legacies of business and professional events.

The aim is to convince the government, and individuals involved in a destination's economic development, of the sector's true value, and to identify the range of output

values from particular events to serve as examples of the broader benefits generated by the meetings industry as a whole.

Cameron continued: "In most parts of the world the meetings industry is heavily reliant on government support and investment. Major event facilities like convention centres, for example, are almost always supported by public investment and government policies – such as taxation, immigration and access – can have huge implications for industry success.

"In order to see the real return on that investment, governments and communities must go beyond the spending-based value measurement and recognise the much broader role they play in advancing a wide range of policy priorities and community aspirations.

"We need to make the arguments and back them up with solid data – so this is why broader value measurement needs to be a top priority for the meetings industry today."

Karen Bolinger, CEO, Melbourne Convention Bureau, opined "we are not good at promoting ourselves".

"Business events are a crucial part of the visitor economy, and the value of the sector extends beyond tourism expenditure. Conferences provide opportunities to build international networks, open trade and investment opportunities, profile a region's sectors of strength, and bring focus to a government's areas of policy leadership."

Bolinger added: "To truly understand the impact of the sector, we need to understand the legacies that were left behind, such as knowledge dispersal, community initiatives, research opportunities



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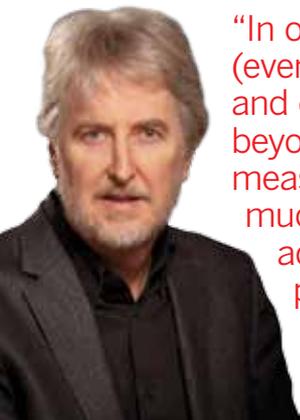
Karen Bolinger
CEO, Melbourne Convention Bureau

and business development.

"However, there are real challenges in sourcing this data. There are also challenges around collecting the right data that will educate government, stakeholders and partners on the value of the business events industry."

Melissa Ow, deputy chief executive, Singapore Tourism Board (STB), said the board is nurturing understanding of the business events industry by promoting the growth and development of SACEOS (Singapore Association of Convention and Exhibition Organisers of Singapore), a local business events industry association.

Ow commented: "With STB's support, SACEOS developed a curated MICE Week with the Singapore MICE Forum as a key feature, where players in the business events ecosystem collaborate to share knowledge and network, thus profiling the business events industry."



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