

Business Events: Delivering Economic Prosperity for Australia.



Association of Australian
Convention Bureaux

Delivering Economic Prosperity for Australia.

“The business events sector augments economic activity well beyond directly measurable metrics, underpinning knowledge creation and exchange, innovation and investment among other positive impacts.”¹

International business events play a significant role in building a stronger, more productive and more diverse Australian economy.

Around the world, business events are being used as strategic tools for attracting trade, investment and global talent. Governments invest in and support the business events sector because they recognise the high yield and long-term benefits accruing from growth in the visitor and knowledge-based economies.

VALUE:

Industry Contribution 2012

900,000 delegates

International business events delegates

\$2.7B delegate spend

Generating \$2.2B in GDP

21% of all international visitor spend

22,500 jobs

Directly and indirectly

Australia's Convention Bureaux 2012/13

\$241M GDP in bid wins

From business development activities alone

5-Pillar economy focus

78% of delegates expected to attend international business events won by convention bureaux fall within the 5-Pillar economy.

Beyond Tourism Benefits

- Attracting Global Talent
- Transferring Knowledge
- Encouraging Foreign Investment
- Stimulating Trade
- Fostering Innovation
- Boosting Productivity
- Nurturing Research Collaboration
- Promoting Cultural Exchange
- Delivering Community Benefits

OPPORTUNITIES:

Driving Industry Growth

High yielding international business events are integral to achieving Australia's Tourism 2020 target of increasing overnight expenditure to \$140 billion

Days by international business events delegates have grown at twice the pace of overall visitation over the last four years, while expenditure has grown nearly five times faster

Capitalising on our Advantages

Convention bureaux directly bid for international business events affiliated with the fastest growing global industries – each of which has been identified to enjoy a relatively high level of advantage

Asia's Doorstep

30% of international business events delegates are from Asia - Growth prospects are greater than any other market

Promoting Growth and Development in Regional Australia

- 46% of business events delegates participate in pre and post tours
- 26% are accompanied by at least one family member or friend
- 60% are likely to visit Australia again within two years

"Looking forward, the economic opportunity in the international business events market is a significant one – and, moreover, one that Australia is well placed to capitalise on given our facilities and expertise; attractive tourism assets; and, proximity to fast-growing Asia." ²

CHALLENGES:

Growing Competition and Declining Global Share

Australia holds 2.1% of international association's meetings market, down from 3.1% a decade earlier and now ranked behind 16 other countries.

Increasing Role Played by Foreign Governments

Funding provided by other governments in competing destinations exceeds the level of government bid support provided in Australia - reducing the number and size of international business events which convention bureaux have been able to competitively bid for.

"There are sound economic arguments to justify support of convention bureaux endeavours by all levels of government – arguments which are strengthened in light of both the opportunities and challenges the sector is currently confronting." ³

Economic Action Strategy.

“Maintaining and enhancing Australia’s position as a leading business events destination will require increasing focus and effort from both industry and government.”⁴

1. International Marketing

Australia’s Convention Bureaux recognise their collective responsibility to promote Australia as a premier international business events destination. To achieve this in a seamless and united approach, they rely on the partnership with Tourism Australia and industry.

Given that the economic gains of international business events are widely diffused, direct support from government is required and justified at the state and national level.

Action required:

- Continued funding security for Tourism Australia and its Business Events Australia division.
- Maintenance of the Export Market Development Grant Scheme, including Approved Bodies.

2. Identify Comparative Advantage

Close collaboration is required to develop the strongest business case for business event bids in alignment with Government strategies, and to maximise the nation’s advantages relative to competitors, including Asia.

In partnership with Government, Australia’s convention bureaux can focus sales research on identifying, bidding for and hosting international business events in the priority sectors of manufacturing innovation, advanced services, international education and research, agriculture and mining exports.

Action required:

- Establish a dedicated team at Austrade to work with convention bureaux in identifying new bid opportunities - in Australia and in market – that promote Australia’s export industry priorities.
- Streamlined whole-of-government approach among Commonwealth ministries, departments and agencies to support business event bids. Ministerial and consular support can include written letters of support, appearances at trade missions, meeting association representatives and hosting industry leaders.
- Incentivise key international bids through the introduction of a business events bid fund to remain internationally competitive.





3. Maximise Opportunities

The Federal Government benefits from international business events when trade and investment opportunities are leveraged to best effect. A successful partnership with Australia’s convention bureaux will see increased bid wins targeting the nation’s priority industries within the 5-pillar economy.

Business events are unique in that they are the only tourism sector that provides a vision of confirmed future business. Harnessing this knowledge would allow Government to plan access to key investment and decision makers, provide relevant Ministers with a platform to promote Australia as ‘open for business’, and increase visa processing efficiencies.

AACB’s forward calendar of pending and confirmed business, shared with government departments and agencies, will supply market intelligence to maximise the beyond tourism benefits of international business events to be hosted in Australia.

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Action required:

- Establish an Austrade-Tourism Australia partnership dedicated to identifying innovative new ways of attracting delegates to confirmed international business events, including a focus on key visitor markets and free trade agreement partners.
- Deliver targeted skilled migration campaigns to attract global talent in relevant industry sectors promoting “live, work and invest” opportunities.
- Encourage stronger collaboration between Tourism Australia and State/Territory Tourism Organisations to best promote regional Australia to international delegates for pre and post touring.
- Position Austrade to facilitate business-to-business connections, exposing Australian SMEs to international buyers.
- Deliver ongoing visa reforms and processing improvements to aid in attracting key individuals or companies to Australia.



4. Return on Investment

There is a need to reach agreement on the consistent measurement of outcomes. Beyond the currently evaluated economic impacts, there are far-reaching long-term benefits that help to increase innovation and productivity in Australia. These need to be recognised and consistently measured.

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Action required:

- Continued funding security for Tourism Research Australia to accurately measure delegate numbers across the entire business events spectrum and capture their related per trip expenditure.
- Dedicate additional resources to evaluate the beyond tourism benefits of the international business events industry.

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The Association of Australian Convention Bureaux is the peak business events network driving economic prosperity for Australia.



The Association of Australian Convention Bureaux's Economic Action Strategy is a framework for effective partnering with the Federal Government to support growth in international business events, and the associated beyond tourism benefits, well into the future.

The recommendations are informed by Deloitte Access Economics' May 2014 "Report on Australia's International Business Events Sector: The Economic and Strategic Value Proposition."



Association of Australian
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PO Box 91
Collins Street West
Victoria 8007

T 03 9078 8178
info@aacb.org.au
www.aacb.org.au