NEW ZEALAND IS READY TO MEET

Domestic business events industry outlook for 2021

Prepared November 2020

EVENT PLANNING

There is a strong appetite for both in-person and hybrid business events for 2021, but organisations are only moderately confident that these events will go ahead due to the uncertainty around how the Covid-19 pandemic evolves

97%
of organisations intend to have business events in 2021

86%
Corporate

100%
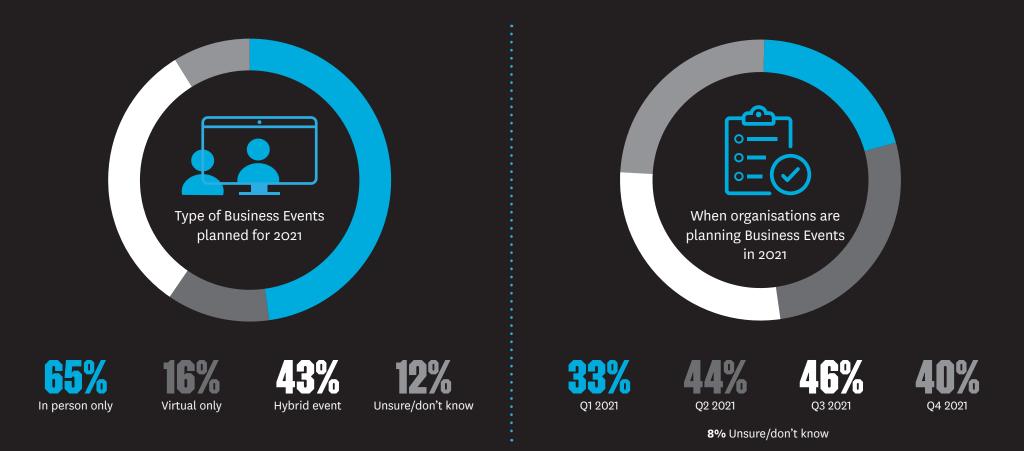Associations

98%
Not-for-profit

January 2020

December 2021

Source: KANTAR Domestic business events industry outlook for 2021
Sample size: All organisations n = 125

IMPACT ON EVENT TYPE AND TIMINGS

The majority of the events planned for 2021 will be in-person, but hybrid events are also in demand – there is very little interest in fully online events
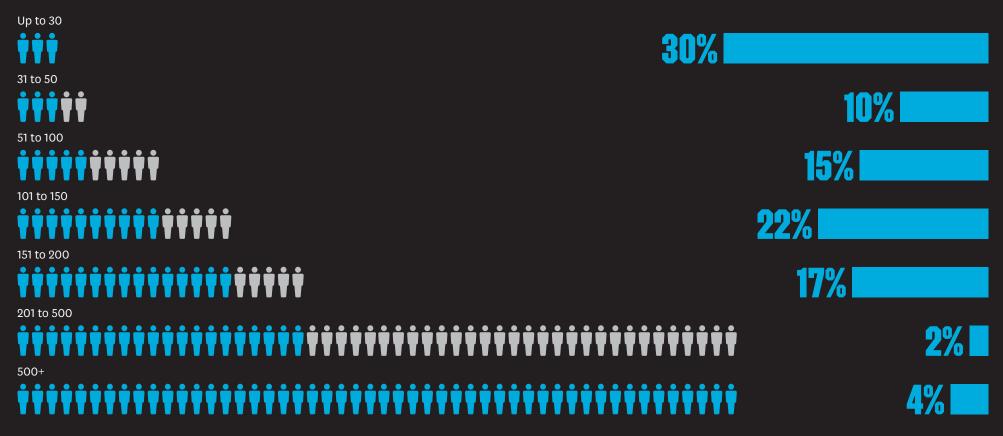
Type of Business Events planned for 2021

When organisations are planning Business Events in 2021

65%
In person only

16%
Virtual only

43%
Hybrid event

12%
Unsure/don't know

33%
Q1 2021

44%
Q2 2021

46%
Q3 2021

40%
Q4 2021

8% Unsure/don't know

Source: KANTAR Domestic business events industry outlook for 2021
Sample size: All organisations planning a business event for 2021 n = 125
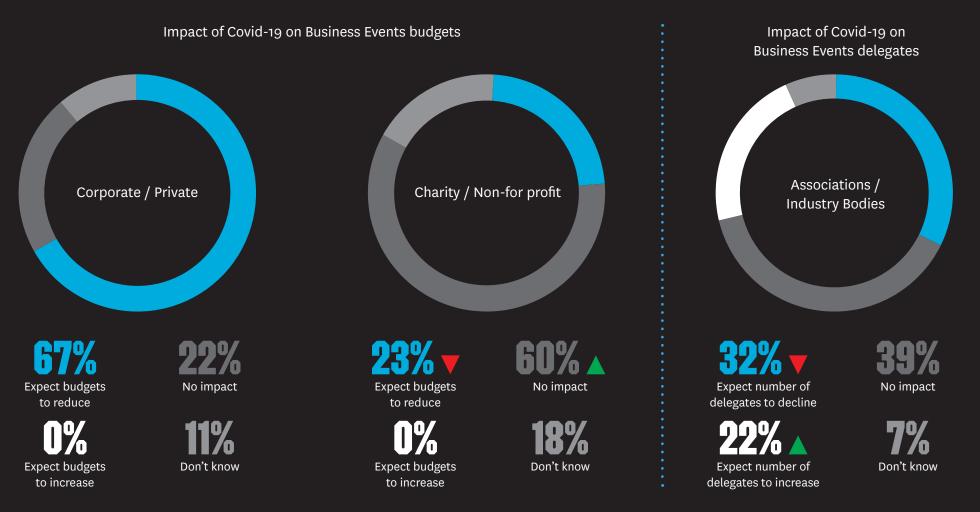
NUMBER OF DELEGATES

55% of the business events planned for 2021 are for up to 100 delegates – this is consistent with the size of events organisations were planning for 2020

% of business events planned in the next 18 months by number of delegates

Up to 30
30%

31 to 50
10%

51 to 100
15%

101 to 150
22%

151 to 200
17%

201 to 500
2%

500+
4%

Source: KANTAR Domestic business events industry outlook for 2021
Sample size: n = 121

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IMPACT ON EVENT BUDGETS AND SIZE

Reduced event budgets will remain a barrier to having larger and more frequent events in 2021

Impact of Covid-19 on Business Events budgets

Corporate / Private

67%
Expect budgets to reduce

22%
No impact

0%
Expect budgets to increase

11%
Don't know

Charity / Non-for profit

23% ▼
Expect budgets to reduce

60% ▲
No impact

0%
Expect budgets to increase

18%
Don't know

Impact of Covid-19 on Business Events delegates

Associations / Industry Bodies

32% ▼
Expect number of delegates to decline

39%
No impact

22% ▲
Expect number of delegates to increase
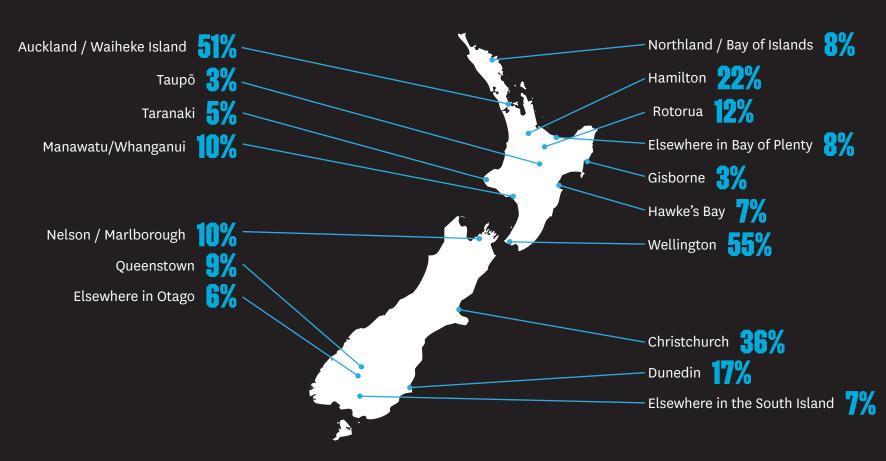
7%
Don't know

Source: KANTAR Domestic business events industry outlook for 2021
Sample size: Corporate / Private n = 18; Charity / Non-for-profit n = 40; Associations / Industry body n = 59

▲▼ *Significantly higher / lower than May-20*

BUSINESS EVENT LOCATIONS

Large urban cities are the main locations organisations consider for business events, but there is a good appetite for smaller destinations

Location for business events planned for 2021 (% organisations planning Business Events for 2021)

Auckland / Waiheke Island **51%**
Taupō **3%**
Taranaki **5%**
Manawatu/Whanganui **10%**

Nelson / Marlborough **10%**
Queenstown **9%**
Elsewhere in Otago **6%**

Northland / Bay of Islands **8%**
Hamilton **22%**
Rotorua **12%**
Elsewhere in Bay of Plenty **8%**
Gisborne **3%**
Hawke's Bay **7%**
Wellington **55%**

Christchurch **36%**
Dunedin **17%**
Elsewhere in the South Island **7%**

Source: KANTAR Domestic business events industry outlook for 2021
Sample size: Nov 20 n = 121

VIRTUAL CONFERENCING VS FACE-TO-FACE

The majority view is that technology is unlikely to fully replace the need for in-person conferences in the long-term

Perceptions of how the Business Events industry will change post Covid-19 (% Strongly agree/ Agree with the statement)

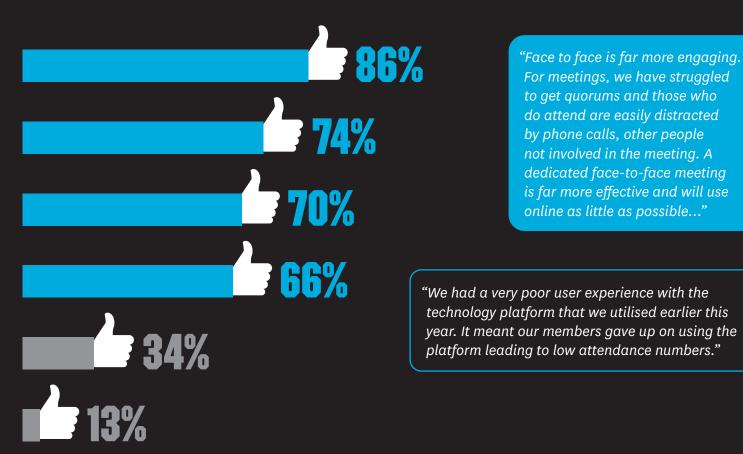Face-to-face conferences will remain vital for my organisation / industry — **86%**

Virtual conferences are not as effective as face-to-face conferences — **74%**

Technology is unlikely to replace face-to-face conferences in the long-term — **70%**

Face-to-face conferences will rebound back as soon as the Covid-19 threat passes — **66%**

Virtual conferences are likely to become a norm for my organisation / industry — **34%**

Technology will replace the need for face-to-face conferences in the long-term — **13%**

"Face to face is far more engaging. For meetings, we have struggled to get quorums and those who do attend are easily distracted by phone calls, other people not involved in the meeting. A dedicated face-to-face meeting is far more effective and will use online as little as possible..."

"We had a very poor user experience with the technology platform that we utilised earlier this year. It meant our members gave up on using the platform leading to low attendance numbers."

Source: KANTAR Domestic business events industry outlook for 2021
Sample size: All organisations n = 125

CONFERENCE FACILITIES

Covid-19 has changed the requirements organisations have around the conference venues: providing social distancing, greater flexibility with changes and cancellations, and tech solutions are more important now

45%

Say that Covid-19 pandemic impacted on what they look for in a destination for meetings and conferences

VENUE THAT ALLOW FOR SOCIAL DISTANCING

"We look for venues that can provide social distancing space"

"We need to be sure that the venue is big enough to cope with social distancing"

"Somewhere we can provide greater distancing"

GREATER FLEXIBILITY FROM VENUES

"Mainly we need flexibility from the venue managers to deal with possible changes to the alert levels"

"Need to be able to cancel just prior with no loss of deposit."

"Risk management options, flexibility of venue to scale up or down, attitude of venue to postpone/cancel T&Cs, no punitive clauses"

TECHNOLOGY IS MORE IMPORTANT

"An event venue that facilitates both an in person and online event experience"

"has facilities and services for online as well as in-person"

NOT A MIQ FACILITY

"Meetings with no connection to MIQ facility (member requirement)"
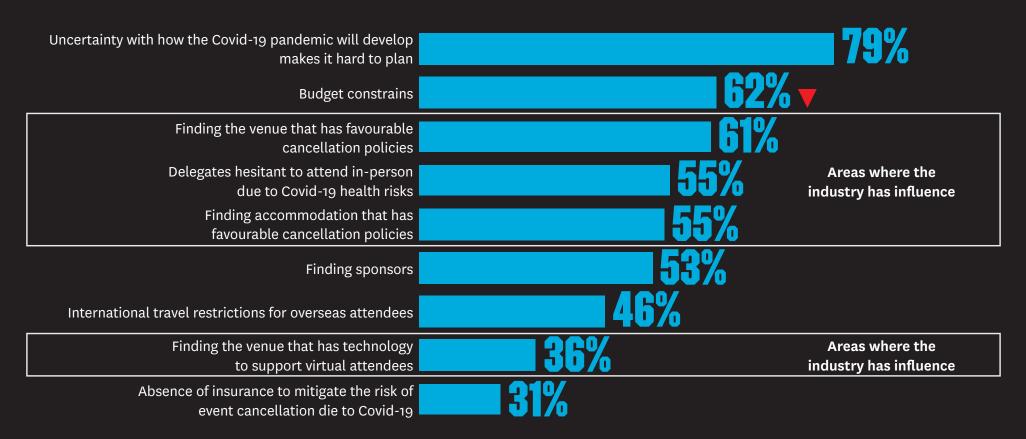
"not a COVID hotel!"

"No links allowed to any of the MIQ"

"Ensuring the property is not a quarantine / isolation property"

"Availability of non-quarantine hotels is limited"

Source: KANTAR Domestic business events industry outlook for 2021
Sample size: n = 125

FACING THE CHALLENGES

There is a number of challenges the industry can help organisations with, including a stronger messaging about events being safe to attend if run properly
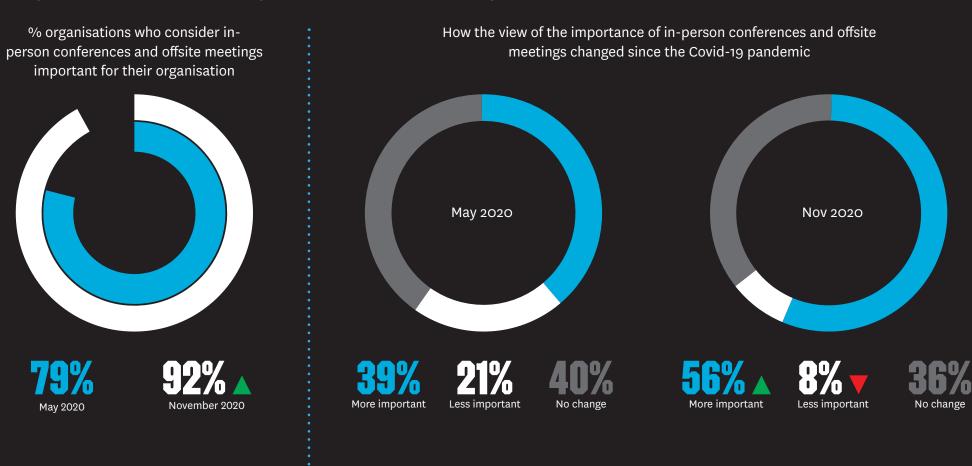
Key challenges organisations foresee with organising Business Events in New Zealand in the next 18 months

Uncertainty with how the Covid-19 pandemic will develop makes it hard to plan — **79%**

Budget constrains — **62%** ▼

Finding the venue that has favourable cancellation policies — **61%**

Delegates hesitant to attend in-person due to Covid-19 health risks — **55%**

Finding accommodation that has favourable cancellation policies — **55%**

Areas where the industry has influence

Finding sponsors — **53%**

International travel restrictions for overseas attendees — **46%**

Finding the venue that has technology to support virtual attendees — **36%**

Areas where the industry has influence

Absence of insurance to mitigate the risk of event cancellation die to Covid-19 — **31%**

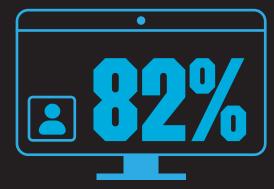▲▼ *Significantly higher / lower than May-20*

DEMAND FOR CONFERENCES

In-person conferences are likely to remain in high demand – nearly all organisations we spoke to have said that in-person conferences are important to them
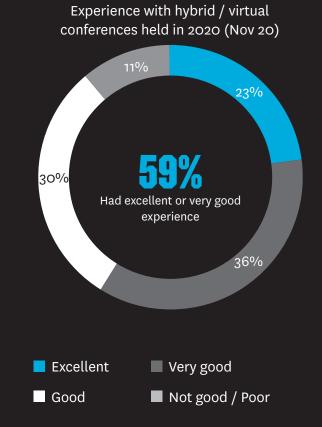
% organisations who consider in-person conferences and offsite meetings important for their organisation

How the view of the importance of in-person conferences and offsite meetings changed since the Covid-19 pandemic

79%
May 2020

92% ▲
November 2020

May 2020

Nov 2020

39%
More important

21%
Less important

40%
No change

56% ▲
More important

8% ▼
Less important

36%
No change

Source: KANTAR Domestic business events industry outlook for 2021
Sample size: All organisations Nov 20 n = 125, May 20 n = 232

▲ ▼ *Significantly higher / lower than May-20*

HYRBID CONFERENCES

Most organisations would consider hybrid conferences next year – lack of networking opportunities is the key barrier to adopting hybrid format

82%

of organisations say that they will consider hosting a hybrid or fully virtual conference in 2021

Conference venues will need to meet the growing demand for hybrid conferences with high quality tech solutions to support good user experience

Experience with hybrid / virtual conferences held in 2020 (Nov 20)

23%

36%

30%

11%

59%
Had excellent or very good experience

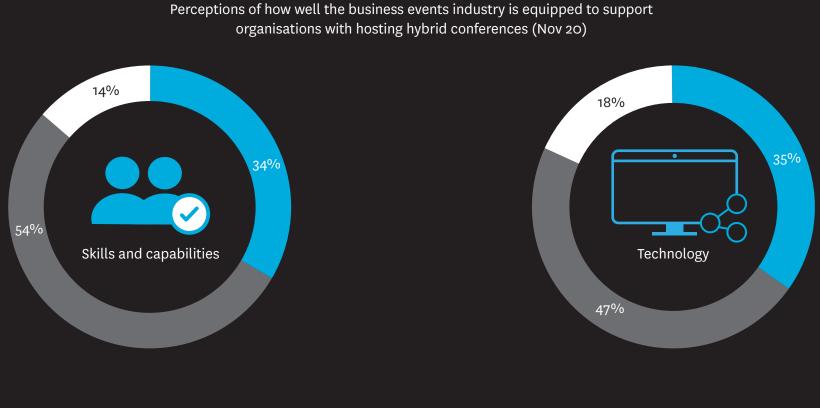- ■ Excellent
- ■ Good
- ■ Very good
- ■ Not good / Poor

Aspects of its hybrid / virtual conference that did not work well

"Lack of understanding of technology by delegates and inexperienced event team. lack of suitable internet connection to stream event"

"It worked okay just wasn't as fun as being in person and not as many people as we would have liked"

Source: KANTAR Domestic business events industry outlook for 2021
Sample size: n =125

Sample size: n = 70

SKILLS, CAPABILITIES AND TECHNOLOGY

The industry fares well overall in its skills and technology to support hybrid conferences, but with room to improve given the growing demand for these events

Perceptions of how well the business events industry is equipped to support organisations with hosting hybrid conferences (Nov 20)

Skills and capabilities

14%
34%
54%

Technology

18%
35%
47%

■ Well equipped (4-5)   ■ Somewhat well equipped (3)   ■ Not well equipped (1-2)

Source: KANTAR Domestic business events industry outlook for 2021
Sample size n= 144; offers the incentives programme n= 125

THANK YOU

Tourism New Zealand commissioned this second wave of research to provide industry with a fact-based understanding of the demand for business events among New Zealand based businesses and their concerns and barriers to having business events in New Zealand in 2021.

New Zealand based organisations who held a business event (conference, meeting, incentive trip) domestically or internationally in the last 3 years were surveyed. The research was conducted in November 2020 and received 125 responses responses from Associations, Not for Profit and Corporate/ Private organisations.

This research follows an earlier study conducted in May 2020.

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