

Global Economic Significance of Business Events

Events Industry Council

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This study on the global economic significance of business events, conducted by Oxford Economics, is unprecedented research that could only be accomplished through the collaborative efforts of the public and private sectors to qualify the value, influence, and impact that business events produce throughout the world. It further enables this dynamic industry to benchmark its current contributions and track its future growth.

The data in this study provide a clear and credible statistical base on which to gain recognition for this vast and diverse industry as a vital economic driver and clearly articulates the downstream benefits to other industries and the people who work in them. Anyone who reads this report will better understand the economic significance as well as the depth and breadth of the global business events industry.

While this study focuses on the value of the industry to the overall global economy, the many other benefits resulting from the business events that are held should not be overlooked. To the millions of attendees annually, these events provide an invaluable source of adult learning, continuing education for professional certifications and licensure, a forum for developing and maintaining professional contacts, an effective and efficient means of enhancing sales efforts, a medium for information exchange leading to innovation, new medical treatments and research breakthroughs, among other benefits.

Assisting in this study effort was a team of industry professionals and researchers from the Events Industry Council Research Committee. We extend our thanks to them for their oversight of the project.

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We would also like to thank our partners in this ground breaking collaboration on this unprecedented global study.



A handwritten signature in black ink that reads 'Karen Kotowski'.

Karen Kotowski, CAE, CMP
Chief Executive Officer, Events Industry Council

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Executive summary

Overview

To quantify the economic significance of the global business events sector for the Events Industry Council and its stakeholders, Oxford Economics has prepared a comprehensive model of global business events activity that leverages and extends recent studies on their economic significance. The results of this study show the scope of the business events sector in terms of direct spending and jobs, as well as the total impacts of business events in the broader economy. The study represents the first-of-its-kind analysis of the global business events industry.

As part of this analysis, Oxford Economics took the following steps:

- Analysed existing studies on business events impacts in 15 countries, as well as third-party industry data across more than 180 countries;
- Developed an econometric model of the relationship between economic and travel-industry data sets and business events industry impacts to estimate business events activity in countries in which the business events industry has not been previously quantified; and
- Combined the results of existing studies and modeled relationships to prepare global estimates.

This document presents key elements of the research and findings. It is organized in four sections:

1. Business events volume and direct spending
2. Economic impact analysis
3. Methods
4. Industry comparisons

What qualifies as a business event in this study?

- A gathering of 10 or more participants for a minimum of four hours in a contracted venue. This includes business events, but excludes social, educational (formal educational activities at primary, secondary, and university level education), and recreational activities, as well as consumer exhibitions.

What are the main components of economic impact?

- **Direct impacts** consist of the direct spending and jobs that are involved in planning and producing business events, and for participants to travel to business events, as well as other business events-related spending. **Indirect impacts** represent downstream supplier industry impacts, also referred to as supply chain impacts. For example, the facilities at which business events occur require inputs such as energy and food ingredients. Also, many business event venues contract with specialised service providers, such as marketing, equipment upkeep, cleaning, technology support, accounting, and legal and financial services. These are examples of indirect impacts. **Induced impacts** occur as employees spend their wages and salaries in the broader economy. For example, as hotel employees spend money on rent, transportation, food and beverage, and entertainment.
- Impacts are expressed in terms of economic **output**, which includes all business sales, **GDP** (gross domestic product), which is defined as business sales less intermediate inputs, and **jobs**.

Executive summary

Direct impacts of global business events (2017)

- **Number of participants:** Business events involved more than 1.5 billion participants across more than 180 countries.
- **Direct spending (business sales):** Business events generated more than \$1.07 trillion of direct spending, representing spending to plan and produce business events, business events-related travel, and other direct spending, such as spending by exhibitors.
- **Direct GDP (gross domestic product) and employment:** Business events supported 10.3 million direct jobs globally and generated \$621.4 billion of direct GDP.
- **Average spending per participant:** On average, \$704 was spent per business event participant.
- **Top countries:** The top 50 countries accounted for \$1.03 trillion of business events direct spending, representing 96% of the global total.
- **Prior country-level studies:** Previous country-level analyses of business events activity accounted for almost two-thirds of the estimated global total, providing a solid research foundation.

Total impacts of global business events (2017)

After accounting for indirect and induced impacts, business events supported a total global economic impact in 2017 of:

- \$2.5 trillion of output (business sales)
- 26 million jobs
- \$1.5 trillion of GDP (representing contribution to global gross domestic product)

The business events sector directly generated more output (business sales) than many large global sectors, including consumer electronics and computers and office equipment.

The \$1.5 trillion of total GDP supported by global business events would rank the sector as the 13th largest economy globally, larger than the economies of countries such as Australia, Spain, Mexico, Indonesia, and Saudi Arabia. Based on its \$621.4 billion direct GDP impact, the business events sector would rank as the 22nd largest economy globally.

Executive summary

Direct Impacts

1.5 billion participants



across more than 180 countries

\$1.07 trillion in direct spending (business sales)



representing spending to plan and produce business events, business events-related travel, and other direct spending, such as spending by exhibitors

\$621.4 million in direct GDP



(gross domestic product)

10.3 million jobs



directly supported by global business events

Indirect & Induced Impacts

Total Impacts

\$2.53 trillion in total output (business sales)



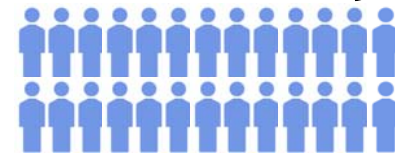
including direct, indirect, and induced output

\$1.50 trillion in total GDP



including direct, indirect, and induced GDP impacts

25.9 million total jobs



directly and indirectly supported by global business events

1. Business events volume and direct spending

Overview of business events volume and direct spending

This section summarises the size and scope of business events sector activity worldwide. The primary measures presented are:

- Amount of business events direct spending
- Number of business event participants
- Number of business event direct jobs

Business events direct spending represents spending directly incurred in the planning and production of business events, travel to business events, and accompanying business events-related activities. As a basic description this includes spending by participants to attend the business event (e.g. travel and registration), organiser-paid travel, spending by exhibitors (e.g. sponsorships, exhibit production, off-site events), spending by business event organisers and hosts, and certain other business events-related spending.

Business events direct spending provides the clearest measure of the economic significance of business events because it captures the full scope of services and goods directly provided by a range of industries. For this reason, much of our summary analysis focuses on business events direct spending and the number of business events participants.

Definition of a business event

For the purpose of this study, the term "business event" refers to a gathering of 10 or more participants for a minimum of four hours in a contracted venue.

- Business events **include** conventions, conferences, congresses, trade shows and exhibitions, incentive events, corporate/business events, and other business events that fit the aforementioned criteria.
- Business events **exclude** social activities (wedding receptions, holiday parties, etc.), permanently established formal educational activities (primary, secondary or university level education), purely recreational activities (such as concerts and shows of any kind), political campaign rallies, or gatherings of consumers by a company for the purpose of presenting specific goods or services for sale (consumer shows, product launches to consumers).

Note that in some cases, definitions used on individual country-level studies may differ slightly from these overall definitions.

Business events summary data

Business events involved more than 1.5 billion participants across more than 180 countries in 2017. Business events generated approximately \$1.07 trillion of direct spending, representing spending to plan and produce business events, business events-related travel, and other direct spending, such as spending by exhibitors. On average, each business events participant spent \$704. The top 50 countries accounted for \$1.03 trillion of business events direct spending, representing 96% of the global total.

Business events generated more than \$1.07 trillion of direct spending and drew 1.5 billion participants globally in 2017.

Summary of business events activity, 2017

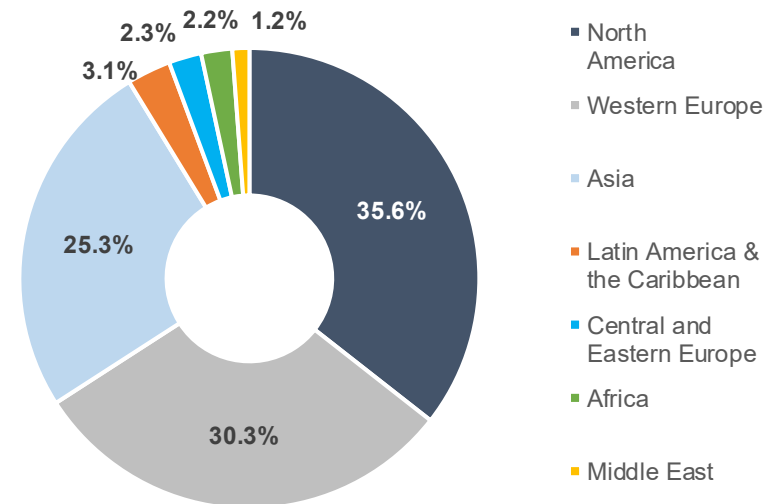
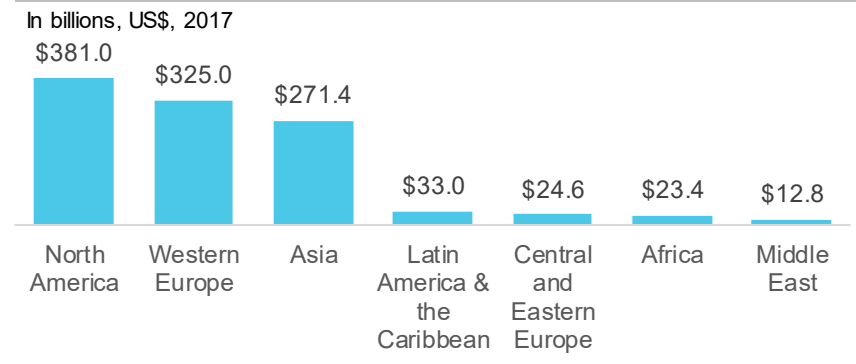
	Direct spending (billions US\$)	Participants (millions)	Average spending (US\$)	Share of total	
				Direct spending	Participants
Global total	\$1,071.2	1,520.7	\$704	100.0%	100.0%
By region					
North America	\$381.0	329.7	\$1,156	35.6%	21.7%
Western Europe	\$325.0	444.4	\$731	30.3%	29.2%
Asia	\$271.4	482.7	\$562	25.3%	31.7%
Latin America & the Caribbean	\$33.0	91.2	\$362	3.1%	6.0%
Central and Eastern Europe	\$24.6	66.0	\$373	2.3%	4.3%
Africa	\$23.4	80.6	\$290	2.2%	5.3%
Middle East	\$12.8	26.1	\$488	1.2%	1.7%
Top 50 countries	\$1,033.7	1,409.0	\$734	96.5%	92.7%

Business events direct spending

Business events in North America generated \$381.0 billion of business events direct spending, as shown in the accompanying chart, representing 35.6% of global business events direct spending. Business events in Western Europe and Asia generated \$325.0 billion and \$271.4 billion in direct spending, representing 30.3% and 25.3% of global direct spending, respectively.

North America and Western Europe are the top regions in terms of business events direct spending.

Business events direct spending by region



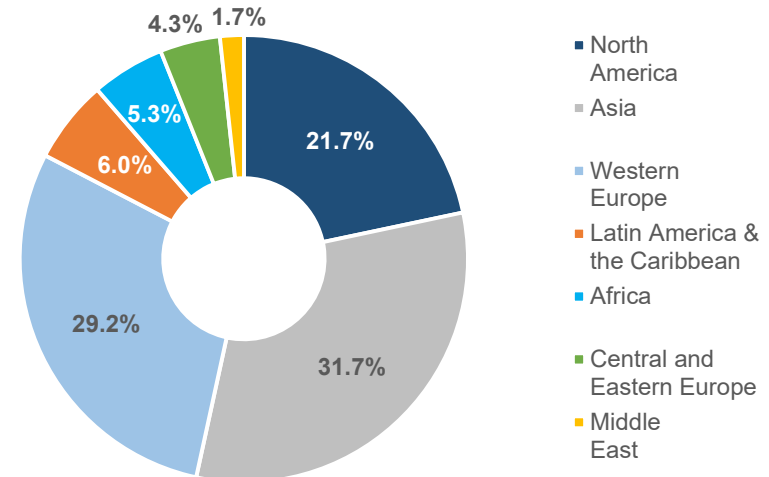
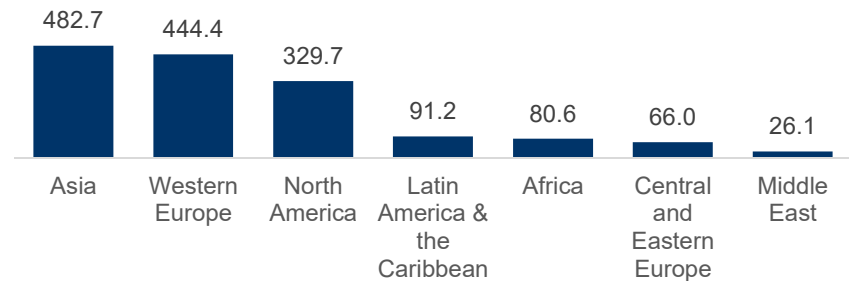
Business events participants

Asia was the largest market in terms of business event participants, hosting 482.7 million participants, representing nearly one-third of total participants worldwide. Western Europe ranked second, hosting 444.4 million participants (29.2% of worldwide participants) in 2017. North America ranked third with 329.7 million participants, representing 21.7% of global participants. Latin America & the Caribbean, Africa, Central and Eastern Europe, and the Middle East followed, each hosting less than 100 million business event participants.

In terms of number of participants, Asia represents the largest region.

Business events participants by region

In millions, 2017

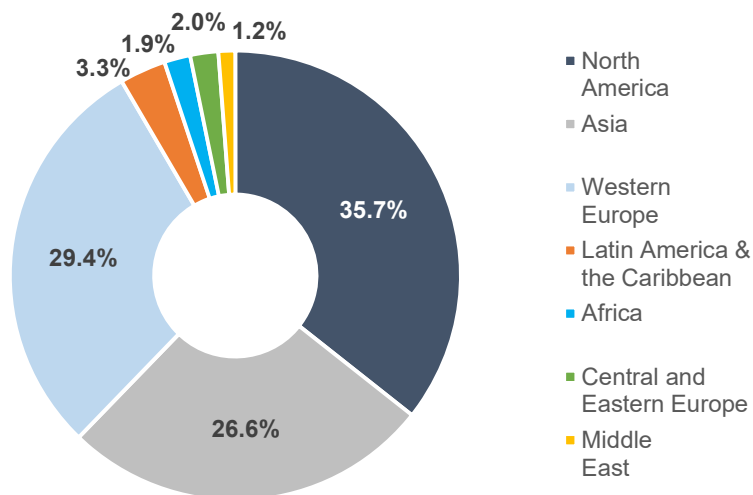


Business events direct GDP and jobs impact

Business events generated \$621.4 billion of direct GDP and more than 10.3 million direct jobs in 2017. Business events in North America generated \$221.6 billion in direct GDP, representing 35.7% of global business events GDP. North America is also the largest market in terms of jobs, with 3.2 million direct jobs.

Western Europe ranks second in terms of direct GDP impact, with \$182.5 billion in GDP, supporting 2.6 million direct jobs. The following page shows direct impacts in each of the top 50 countries, ranked by business events direct spending.

Share of direct GDP impacts by region



Business events generated more than \$621 billion of direct GDP and 10.3 million direct jobs in 2017.

Business events direct GDP and jobs impact by region

	Direct spending (billions US\$)	Direct GDP (billions US\$)	Direct jobs (000s)	Share of total		
				Direct spending	Direct GDP	Direct jobs
Global total	\$1,071.2	\$621.4	10,308	100.0%	100.0%	100.0%
By region						
North America	\$381.0	\$221.6	3,234	35.6%	35.7%	31.4%
Western Europe	\$325.0	\$182.5	2,595	30.3%	29.4%	25.2%
Asia	\$271.4	\$165.1	3,175	25.3%	26.6%	30.8%
Latin America & the Caribbean	\$33.0	\$20.6	494	3.1%	3.3%	4.8%
Central and Eastern Europe	\$24.6	\$12.5	345	2.3%	2.0%	3.3%
Africa	\$23.4	\$11.7	328	2.2%	1.9%	3.2%
Middle East	\$12.8	\$7.5	136	1.2%	1.2%	1.3%
Top 50 countries	\$1,033.7	\$602.3	9,824	96.5%	96.9%	95.3%

Direct impacts of top 50 countries

Direct impacts generated by the business events sector (2017)

Top 50 countries, ranked by direct spending (billions US\$ and thousands of jobs)

Rank	Country	Direct spending (billions US\$)	Direct GDP impact (billions US\$)	Direct jobs (000s)	Total participants (000s)	Average spend per participant	Rank	Country	Direct spending (billions US\$)	Direct GDP impact (billions US\$)	Direct jobs (000s)	Total participants (000s)	Average spend per participant
1	United States	\$325.0	\$184.2	2,489	252,600	\$1,287	26	Denmark	\$3.7	\$1.5	29	7,658	\$482
2	China	\$132.4	\$87.8	1,844	213,816	\$619	27	United Arab Emirates	\$3.3	\$2.3	25	4,995	\$659
3	Germany	\$123.7	\$71.4	997	149,796	\$826	28	Hong Kong, China	\$3.3	\$2.1	27	4,545	\$721
4	United Kingdom	\$92.6	\$51.5	774	120,164	\$770	29	Poland	\$3.4	\$1.9	83	10,627	\$320
5	Japan	\$61.1	\$32.4	374	95,493	\$640	30	New Zealand	\$2.9	\$1.8	24	4,393	\$656
6	Canada	\$33.1	\$19.3	229	49,538	\$668	31	Austria	\$2.7	\$1.6	17	3,677	\$738
7	Italy	\$32.5	\$17.7	250	56,410	\$576	32	Portugal	\$2.6	\$1.1	37	5,488	\$469
8	Australia	\$30.1	\$15.2	193	41,755	\$722	33	Belgium	\$2.4	\$1.1	20	3,541	\$691
9	France	\$28.6	\$14.6	192	44,537	\$642	34	Philippines	\$2.1	\$1.4	46	7,333	\$287
10	Mexico	\$25.4	\$18.1	516	31,359	\$810	35	Chile	\$1.8	\$1.0	26	4,474	\$411
11	Sweden	\$13.7	\$9.1	90	17,191	\$798	36	Peru	\$1.8	\$0.9	47	5,630	\$324
12	Spain	\$12.0	\$7.5	83	22,151	\$542	37	Pakistan	\$1.8	\$0.9	47	6,464	\$273
13	Brazil	\$10.9	\$7.6	172	30,623	\$355	38	Colombia	\$1.7	\$0.9	32	5,277	\$320
14	South Korea	\$10.1	\$7.0	83	18,124	\$557	39	Romania	\$1.5	\$1.0	23	4,238	\$364
15	Argentina	\$9.8	\$5.9	108	24,319	\$401	40	Finland	\$1.4	\$0.6	12	1,977	\$714
16	India	\$9.4	\$4.7	143	33,879	\$276	41	Norway	\$1.4	\$0.7	11	1,521	\$896
17	Indonesia	\$6.3	\$3.9	104	21,431	\$296	42	Czech Republic	\$1.3	\$0.6	12	2,887	\$462
18	Russia	\$5.4	\$2.9	83	14,854	\$367	43	Ireland	\$1.3	\$0.5	10	1,967	\$638
19	South Africa	\$5.4	\$2.4	73	16,975	\$319	44	Egypt	\$1.2	\$0.6	22	4,421	\$277
20	Turkey	\$4.6	\$2.0	37	12,734	\$363	45	Algeria	\$1.2	\$0.9	24	4,059	\$299
21	Nigeria	\$4.2	\$2.0	52	15,224	\$276	46	Switzerland	\$1.2	\$0.7	9	1,379	\$870
22	Thailand	\$4.2	\$2.6	123	12,935	\$323	47	Greece	\$1.1	\$0.5	18	2,568	\$444
23	Saudi Arabia	\$3.9	\$2.3	40	8,363	\$466	48	Kenya	\$1.1	\$0.6	25	4,175	\$273
24	Netherlands	\$3.8	\$2.0	43	5,089	\$743	49	Vietnam	\$1.1	\$0.6	40	4,000	\$280
25	Singapore	\$3.7	\$1.8	32	4,412	\$834	50	Myanmar	\$1.1	\$0.5	35	3,913	\$270

2. Economic impact of business events

Economic impact approach

Our analysis of business events direct spending served as an input for the economic impact model we used to estimate business events-sector direct employment and labor income, and the downstream impacts of the sector. This model is also referred to as an input-output (I-O) model.

Components of economic impact analysis

There are three main components of a sector's overall economic impact:

- **Direct impacts** consist of the direct spending and jobs that are involved in planning and producing business events, and for participants to travel to business events, as well as other business events-related spending. Given the characteristics of the business events sector, much of this direct activity occurs across a variety of sectors. For example, the production of a business event frequently involves employees onsite at a hotel or other venue, including banquet staff as well as audio-visual/staging and technical staff, and other third-party contracted service providers, such as entertainment/production services, décor, speakers and trainers, advertising and promotion. These employees all represent direct jobs supported by the business events sector. Meanwhile, participants' travel to the business event, and accommodation during the event, supports direct spending and jobs across a range of service providers in the travel sector. Though this spending is occurring across businesses in a range of industry sectors, it all represents activity that is supported by business events direct spending, and is part of the business event sector's direct impacts.
- **Indirect impacts** represent downstream supplier industry impacts, also referred to as supply chain impacts. For example, the facilities at which business events occur require inputs such as energy and food ingredients. Also, many business event venues contract with specialized service providers, such as marketing, equipment upkeep, cleaning, technology support, accounting, and legal and financial services. These are examples of indirect impacts.
- **Induced impacts** occur as employees spend their wages and salaries in the broader economy. For example, as hotel employees spend money on rent, transportation, food and beverage, and entertainment.

Indirect and induced impacts may also be referred to collectively as indirect effects.

To conduct the impact analysis, we used country-level economic impact multipliers from the existing business events impact studies. For countries where business events impact multipliers were either unavailable or appeared inconsistent with reference data, we used travel and tourism multipliers maintained by WTTC (World Travel and Tourism Council) and Oxford Economics. WTTC multipliers are based on input-output tables for each country and were sourced from either the OECD (Organisation for Economic Co-operation and Development), or when not available, national statistical offices. From the input-output tables, multiplier matrices were developed for each economy, detailing the flow of spending in an economy that occurs as a consequence of spending in a given industry.

Economic impacts

The global business events sector supported more than \$2.5 trillion of total output (business sales) in 2017.

Overall, the total global economic impact of the business events sector in 2017 is summarized as follows:

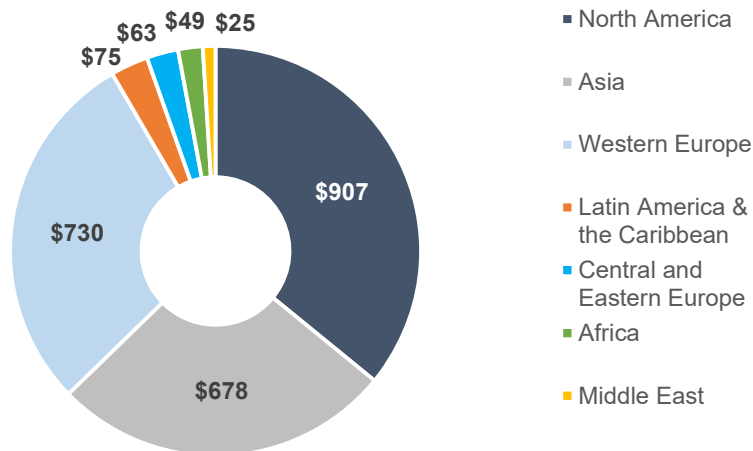
- \$2.5 trillion of economic output (business sales)
- \$1.5 trillion in total GDP contribution; and
- Nearly 26 million total jobs.

These totals represent the combination of direct impacts within the business events sector (e.g. \$1.07 trillion of business events direct spending, and 10.3 million direct jobs), plus the estimated indirect and induced effects.

The resulting output multiplier for the business events sector is 2.36, implying that each \$1.00 in direct business event spending generates an additional \$1.36 in indirect and induced expenditures in the global economy. The following page shows estimated impacts in the top 50 countries ranked by business events direct spending.

Total output impacts by region

In billions, US\$, 2017



Business events sector global economic impacts

Amounts in billions of dollars, except jobs

	2017
Direct business events sector impact	
Output (business events direct spending)	\$1,071.2
Employment	10,307,794
GDP	\$621.4
Total business events sector impact	
Output (business events direct spending)	\$2,526.7
Employment	25,921,359
GDP	\$1,495.7

Total economic impacts of top 50 countries

Total impacts generated by the business events sector (2017)

Top 50 countries, ranked by total output impact (billions US\$ and thousands of jobs)

Rank	Country	Total output impact (billions US\$)	Total GDP impact (billions US\$)	Total job impact (000s)	Rank	Country	Total output impact (billions US\$)	Total GDP impact (billions US\$)	Total job impact (000s)
1	United States	\$787.0	\$446.1	5,905	26	Saudi Arabia	\$6.4	\$3.8	69
2	China	\$372.8	\$247.3	5,215	27	Poland	\$6.4	\$3.6	185
3	Germany	\$285.7	\$165.0	1,939	28	Austria	\$6.1	\$3.6	41
4	United Kingdom	\$198.9	\$133.5	1,829	29	United Arab Emirates	\$5.8	\$4.1	48
5	Japan	\$147.2	\$78.2	1,420	30	Thailand	\$5.7	\$3.6	308
6	Italy	\$70.2	\$38.3	569	31	Portugal	\$5.5	\$2.4	90
7	Canada	\$67.3	\$42.4	493	32	Finland	\$5.1	\$2.1	53
8	Australia	\$56.0	\$31.1	545	33	Philippines	\$4.9	\$3.2	154
9	France	\$53.6	\$27.4	456	34	Belgium	\$4.8	\$2.3	51
10	Mexico	\$52.8	\$37.6	1,130	35	Singapore	\$4.2	\$2.1	60
11	Sweden	\$46.0	\$30.6	279	36	Chile	\$4.2	\$2.3	77
12	Spain	\$27.4	\$17.2	253	37	Switzerland	\$3.7	\$2.3	31
13	Brazil	\$24.3	\$17.0	484	38	Colombia	\$3.7	\$2.0	77
14	Argentina	\$22.9	\$13.7	303	39	Pakistan	\$3.5	\$1.8	124
15	South Korea	\$22.8	\$15.9	216	40	Romania	\$3.5	\$2.2	59
16	India	\$19.5	\$9.7	228	41	Czech Republic	\$3.2	\$1.4	25
17	Russia	\$17.5	\$9.3	316	42	Kenya	\$2.4	\$1.2	66
18	South Africa	\$13.4	\$6.0	155	43	Greece	\$2.3	\$0.9	37
19	Indonesia	\$12.8	\$7.8	278	44	Norway	\$2.3	\$1.1	21
20	Turkey	\$10.4	\$4.4	167	45	Myanmar	\$2.3	\$1.1	78
21	Nigeria	\$9.0	\$4.2	140	46	Algeria	\$2.0	\$1.5	52
22	Netherlands	\$9.0	\$4.8	67	47	Ireland	\$2.0	\$0.8	31
23	Hong Kong, China	\$8.2	\$5.2	80	48	Egypt	\$1.9	\$0.9	48
24	New Zealand	\$7.7	\$4.8	61	49	Vietnam	\$1.3	\$0.7	65
25	Denmark	\$6.6	\$2.7	102	50	Peru	\$0.8	\$2.0	151

3. Methods

Research approach

We integrated the results of existing studies to model global business events volume and direct spending. Two-thirds of global business events direct spending was covered by country-level studies.

Our approach to the business events sector research included the following steps:

- Analysed existing studies on business events impacts in 15 countries, as well as third-party industry data;
- Developed an econometric model of the relationship between economic and travel-industry data sets and business events industry impacts to estimate business events activity in countries in which the business events industry has not been previously quantified; and
- Combined the results of existing studies and modeled relationships to prepare global estimates.

Overall, we found that nearly two-thirds of global business events direct spending was already covered by the country-level studies we analysed. As a result, while we applied the econometric model to prepare estimates for countries that have not yet been studied at the country level, findings for many of the largest and most important countries were based on the results of existing studies. This provided a solid research foundation.

In this global analysis, we have relied broadly on the headline measures of business events activity and participants as reported by each study. In situations in which we saw clear differences such as definition differences or outliers in specific results, we excluded specific country-level report metrics from the estimation process.

Our discussion of research methods in this section follows the same order. First, we outline the research process, then we highlight the statistical modeling, and last, the conceptual framework.

Figures in this report are based on unrounded estimates. Due to rounding, the totals in certain tables may differ slightly from the sum of the individual rows or columns. The analysis was conducted in nominal US dollars based on market exchange rates.

Existing impact studies and third-party data

We compiled existing studies on the impacts of business events in global markets. A comprehensive list of the 15 studies included in the analysis is outlined in the table below.

The research team collected the following metrics for each country:

- Direct spending
- Direct value-added (GDP)
- Direct jobs
- Total participants

In addition to existing impact studies, the research process also encompassed third-party industry data from the following sources:

- International Congress and Convention Association
- Globex (AMR International)
- Global Business Travel Association

	Country	Study year	Report title	Sources
Existing economic impact studies	Australia	2015	The Value of Business Events to Australia	Ernst & Young, Business Events Council of Australia
	Canada	2014	The Economic Contribution of Business Events in Canada	MPI Foundation Canada, Maritz Research, The Conference Board of Canada
	China	2015	Meetings Industry: Sizing the China Market	GBTA Foundation
	Denmark	2012	Economic Contribution of Meeting Activity in Denmark	Visit Denmark
	Germany	2013	Evolution of Germany's Meeting and Convention Industry	German Convention Bureau
	India	2017	Indian Exhibition Industry Report	Indian Exhibition Industry Association
	Malaysia	2015	Investigating International Business Events Delegate Spending Patterns in Malaysia	Malaysia Convention & Exhibition Bureau, Taylor's University, CRIT
	Mexico	2016	The Economic Relevance of Meetings in Mexico	SECTUR (Secretaria de Turismo), Consejo de Promocion Turistica de Mexico, STA Consultores
	Peru	2014	Peru, Destination for Meetings Tourism	PROMPERU
	Poland	2015	The Economic Impact of Poland's Meetings Industry	Poland Convention Bureau, Polka Organizacja Turystyczna, MPI Foundation, MPI Poland Chapter
	Singapore	2016	Study on the Economic Impact of MICE in Singapore	Frost & Sullivan, Singapore Tourism Board
	Switzerland	2016	Meetings Report Switzerland: Analysis of Business Meetings	Switzerland Tourism
	Thailand	2015	Economic Impact of MICE in Thailand	Thailand Convention & Exhibition Bureau, Frost & Sullivan
	United Kingdom	2013	The Economic Impact of the UK Meeting & Event Industry	MPI Foundation
	United States	2018	Economic Significance of Meetings to the US Economy	Oxford Economics, Events Industry Council

Econometric model

The econometric model tested the relationship between economic and travel-industry data sets and business events industry impacts

The research team developed an econometric model of the relationship between economic and travel-industry data sets and business events impacts to estimate business events activity in countries in which the business events industry has not been previously quantified. In addition to the data collected from existing business events impact studies, the table below summarizes the data we compiled to include in the modeling process.

	Data description	Sources
Data inputs for econometric model	Business arrivals	UNWTO (World Tourism Organization), various national statistical agencies
	International business inbound travel spending	IMF Balance of Payments
	Domestic business travel spending	Oxford Economics / WTTC (World Travel and Tourism Council)
	GDP (gross domestic product)	Haver Analytics, various national statistical agencies
	Total population	Haver Analytics, United Nations, various national statistical agencies
	Per capita GDP	Haver Analytics, United Nations, various national statistical agencies
	Services industry gross output	Various national statistical agencies, central banks, and ministries of finance
	Whole economy gross output	Various national statistical agencies, central banks, and ministries of finance

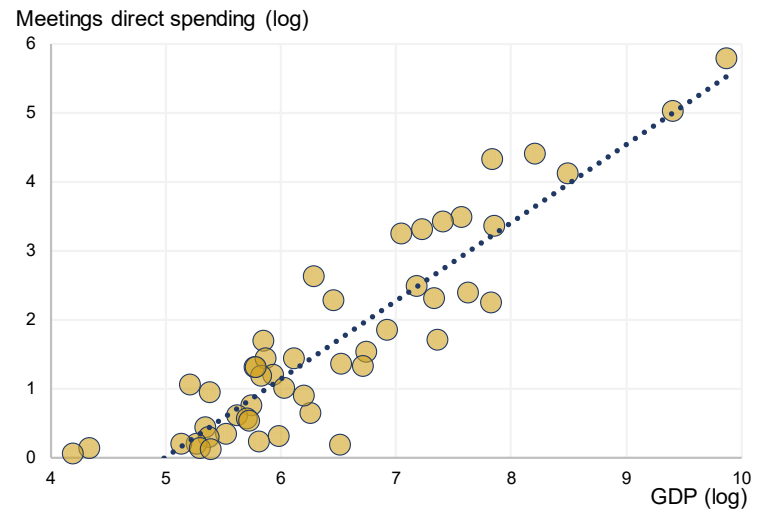
Econometric model

The resulting model reflects the positive relationship between travel-industry measures and business events direct spending.

The resulting model reflects the relationship between travel-industry measures, such as estimated domestic and international business travel spending at the country level (based on Oxford Economics analysis for the World Travel and Tourism Council), and business events direct spending. Because studies of business events activity in more developed countries tend to show higher levels of activity relative to business travel spending, GDP per capita was also used in the model.

The resulting estimates show that business events spending tends to be correlated with broad economic activity. For example, the correlation between business events spending and economic activity as measured by GDP is shown in the accompanying chart.

Business events direct spending and GDP by country



Source: Events Industry Council, Oxford Economics

Economic impact metrics

Secondary data sources were a critical part of the research.

After estimating direct business events spending based on existing impact studies and the econometric model, the research team estimated additional economic impact metrics utilizing the sources listed in the table below. For example, we used economic data on gross output and value added for both the whole economy and the travel industry to estimate direct GDP impacts for each country. In addition, we used multipliers from existing impact studies and travel and tourism multipliers maintained by Oxford Economics and WTTC to estimate the total economic impact of business events for each country.

Economic impact metrics	Economic impact metric	Estimation method and source
	Direct spending (direct output)	Existing impact studies Estimates from econometric model
	Average spending per participant	Existing impact studies Estimates from econometric model
	Total participants	Existing impact studies Estimates from econometric model
	Direct GDP (gross domestic product) impact	Estimates of direct spending (direct output) Economic data on whole economy & services industry gross output from national statistical agencies Economic data on whole economy & services industry value-added from national statistical agencies
	Direct jobs	Existing impact studies Estimates from econometric model Economic data on whole economy gross output from various national statistical agencies Travel & tourism data & multipliers from Oxford Economics & WTTC (World Travel and Tourism Council)
	Total economic impact, GDP, and jobs	Existing impact studies Travel & tourism data & multipliers from Oxford Economics & WTTC (World Travel and Tourism Council)

Conceptual framework

The conceptual framework is based on World Tourism Organization guidance.

The conceptual framework for this analysis is based on guidance developed by the World Tourism Organization, an agency of the United Nations (UNWTO).

The UNWTO has published guidance to support the measurement of the economic importance of meetings, which are synonymous with business events as referred to in this study.* This guidance includes the following definition of meetings (business events):

A meeting is a general term indicating the coming together of a number of people in one place, to confer or carry out a particular activity. The key purposes of meetings are to motivate participants and to conduct business. Frequency can be on an ad-hoc basis or according to a set pattern, as for instance annual general meetings, committee meetings, etc.

UNWTO's Global Meetings Initiative further advised that the concept of a meeting (business event), as it pertains to the meetings (business events) sector, excludes social and economic activities such as formal education, purely recreational or political activities, and gathering of consumers or would-be customers. The UNWTO Global Meetings Initiative also advised that meetings (business events) under consideration must occur at contracted venues, and clarified that the term "meeting" should be understood to encompass the following three major areas of activity:

- congresses, conventions, conferences and seminars;
- trade fairs and exhibitions; and,
- incentive activities.

Additionally, the UNWTO Global Meetings Initiative recommended that data be collected on all meetings (business events) with at least 10 participants, and that last for a minimum of four hours or half a day.

The UNWTO Global Meetings Initiative proposed the adoption of a strict definition of meetings participants as including meetings delegates and exhibitors, and excluding those strictly involved in the supply-side of business event production (e.g. staff of ancillary service providers). The Global Meetings Initiative also drew a distinction between meetings (business events) participants and persons who travel with the meeting participant (accompanying party).

In this global analysis, we have relied broadly on the headline measures of business events activity and participants as reported by each study. In situations in which we saw clear differences from the UNWTO guidance, we excluded specific country-level report metrics from the estimation process.

- World Tourism Organization. (2006) Measuring the Economic Importance of the Meetings Industry: a Tourism Satellite Account Extension. UNWTO/MPI/ICCA/Reed Travel Exhibitions.
- World Tourism Organization. (2008) Global Meetings Initiative, Volumes 1-3.

4. Industry comparisons

Comparison of industry output

To put the size of the business events sector in context, we compared the sector's direct output to the output of other global industries. These estimates are based on Oxford Economics' analysis of industry output as reported by national statistical offices. We selected industries that are relevant for size comparisons, and which have relatively clear industry boundaries and descriptions.

As shown in the accompanying table, the business events direct spending is greater than the output of industries including medical/dental manufacturing, computers & office equipment, furniture manufacturing, and leather goods.

Industry comparisons: Direct output (business sales)

Amounts in billions of dollars, 2017

Pharmaceuticals	\$1,765
Special purpose machinery	\$1,678
Paper & printing	\$1,570
Textiles	\$1,288
Beverages	\$1,225
Telecommunications equipment	\$1,121
Wood & wood products	\$1,095
Business events sector	\$1,071
Motors, generators & transformers	\$901
Medical/dental manufacturing	\$839
Repair & installation of machinery	\$741
Wearing apparel & furs	\$733
Precision & optical instruments	\$698
Computers & office equipment	\$680
Ships, rail, motorcycle & military vehicles	\$630
Furniture manufacturing	\$548
Printing & recorded media	\$523
Domestic appliances	\$490
Glass	\$469
Leather goods	\$428
Castings	\$413
Consumer electronics	\$407
Medical & surgical equipment	\$249
Machine tools	\$237
Agricultural machinery	\$132

Source: Oxford Economics (based on data from National Statistical Offices)

Comparison of the business events sector to world economies

The business event sector's direct contribution to GDP of \$621 billion ranks 22nd when compared to the national GDP of countries worldwide.

The business event sector's total contribution to GDP of \$1.5 trillion ranks 13th when compared to the national GDP of countries worldwide.

Industry comparisons: Direct GDP

Amounts in billions of dollars, 2017

Rank	Country	GDP
1	United States	\$19,391
2	China	\$12,243
3	Japan	\$4,874
4	Germany	\$3,691
5	France	\$2,587
6	United Kingdom	\$2,536
7	India	\$2,521
8	Brazil	\$2,055
9	Italy	\$1,942
10	Canada	\$1,652
11	Russia	1577.51
12	South Korea	\$1,530
13	Australia	\$1,379
14	Spain	\$1,321
15	Mexico	\$1,152
16	Indonesia	\$1,016
17	Turkey	\$851
18	Netherlands	\$829
19	Saudi Arabia	\$684
20	Switzerland	\$679
21	Argentina	\$637
22	Business events sector (direct GDP impact)	\$621
23	Sweden	\$539
24	Poland	\$524
25	Belgium	\$494

Industry comparisons: GDP

Amounts in billions of dollars, 2017

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1	United States	\$19,391
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Source: Oxford Economics (based on data from National Statistical Offices)

Acknowledgements

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Headquartered in Oxford, England, with regional centres in London, New York, and Singapore, Oxford Economics has offices across the globe. We employ over 200 full-time people, including more than 130 professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.



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