

# Conference Value & Volume 2016

(Report on 2015 performance)



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## Accompanying Notes

The Conference Value & Volume study was undertaken for Marketing Manchester by Team Tourism Consulting Ltd.

Please note that data appearing in charts and tables is rounded and does not always total 100%. Also, terms used in the reporting of the study are defined in section 5 for clarification.

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## 1. Introduction

Greater Manchester continues to be the place where great minds meet. In 2015, the business tourism sector generated £810m for the local economy representing a significant contribution to our region's continued growth. This report demonstrates that Greater Manchester is attracting more business events and the benefits are being felt more widely across the whole of the region in a wide range of sectors, including retail, hospitality, and transport.

This is why developing Greater Manchester as a leading business events destination is one of our key strategic aims. As well as driving jobs and growth, the sector is essential in positioning Greater Manchester's brand on the world stage. The recent EuroScience Open Forum (ESOF) is a perfect example of this, bringing thousands of international delegates and journalists into the heart of our city and enabling us to showcase our strengths in science and innovation.



But we live in ever changing and ever more competitive times: we therefore need to work smartly and strategically to drive further growth. We must continue to build collaborative networks to enable us to bid for and deliver major events. We must continue to invest in the quality and quantity of our product and service. And we need to polish our welcome to reassure our overseas visitors that Greater Manchester remains open for international business.

### Strategic context

The Greater Manchester Strategy 2014-2020 'Stronger Together', authored by the Greater Manchester Local Enterprise Partnership and the Greater Manchester Combined Authority, identifies a number of sectors critical to the development of Greater Manchester's economy and these are identified as sectors for either 'reform' or 'growth'. Tourism is identified as one of the growth sectors, to increasingly support Greater Manchester's economy.

The Greater Manchester Strategy for the Visitor Economy 2014-2020, authored by Marketing Manchester, outlines the ambitions for the development of the tourism sector to achieve the economic growth referenced in the aforementioned Greater Manchester Strategy 2014-2020. The strategy references a need to increase the volume and value of business events coming to the conurbation and suggests a focus on attracting international events which deliver the greatest economic benefit.

### Aim

The Conference Value & Volume study was originally commissioned to report on market activity in 2009 and has since been commissioned biennially to report on activity for 2011, 2013, and 2015.

The study has provided a platform to increase knowledge of the sector and consequently direct activity that will most effectively support the contribution the sector makes to Greater Manchester in terms of its economy and employment levels.

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## Methodology

The methodology for the project included the following key stages:

1. A review of host venues within Greater Manchester's conference and business event sector, to include; venue facilities, capacities and delegate rates. This provided an outline of supply as at the end of 2015 and 112 principal venues were identified.
2. A venue survey during March and April 2016 to gain demand information on levels of activity in which 43 venues responded, generating a response rate of 38%. This compares with a response rate of 40% for 2013, 49% for 2011 and 49% for 2009.
3. Data is then sourced from nationally available datasets to inform the GVA and employment supported outputs.

## 2. Executive summary

### Economic impact

- Greater Manchester's conference and business events sector generates £810m, of which £528m comes from venues based within Manchester local authority.
- Host venues and businesses within the wider destination all benefit from delegates attending conference and business events with £497m, of the £810m (61%), being received by host businesses and £313m (39%) feeding into businesses in the wider destination. These businesses include; accommodation providers, restaurants, cafes, bars, retailers, attractions, entertainment venues, and transport providers.
- Although the overall value of the business of £810m is a 2% decrease on 2013, the contribution to businesses in the wider destination (not hosting the conference and business event) has increased by 2%, (from £307m to £313m) led by the growth in income to accommodation provision from non-residential venues such as convention centres, academic venues, training centres, and unusual venues.
- GVA has seen a small increase of 1% since 2013, with direct GVA to Greater Manchester amounting to £296m and total GVA (including the supply chain) totalling £550m.

### Employment opportunities

- The study estimates that the conference and business events hosted within Greater Manchester support 21,900 direct jobs (FTEs) in Greater Manchester.
- In addition to this the activity also generates indirect jobs within the supply chain (through the services and products procured) whilst also supporting induced employment (through the demand generated for products across all industries from residents holding these jobs). This results in a total of 40,100 jobs (FTEs).

### Geographic hubs of activity

- 65% of the value of the sector is hosted by the venues in Manchester district generating £528m of the £810m economic impact.
- The remaining £282m (35%) is generated by the venues across the remaining nine districts of Greater Manchester, a sum received by a number of business types, including hosting businesses, off-site accommodation providers, retailers, food and drink establishments and transport operators.
- The Petersfield area of Manchester has a concentration of businesses serving this market, generating £166m and accounting for 21% of Greater Manchester's economic impact.

### Key trends 2013-2015

- A number of key trends from 2013 to 2015 were evidenced: increases in the number of events booked; a growth in the requirements for accommodation in the 'wider' destination; an increase in business originating from the northwest and overseas; and a decrease in the total number of delegates.

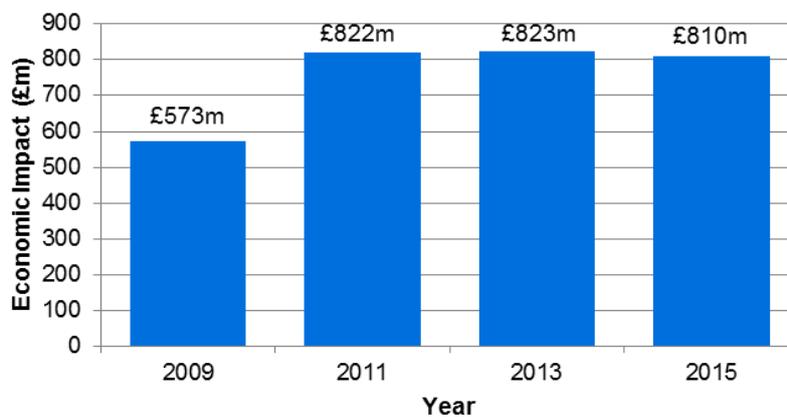
### 3. Sector overview

This section provides an overview of Greater Manchester’s conference and business events market through a number of measures. All data referenced is taken from the latest study (reporting on 2015) except where the comparisons have been shown from previous studies, as indicated.

#### 3.1 Economic indicators

Figure 1 shows the journey of the economic impact of the sector from 2009 to 2015.

Figure 1: The economic journey



The boost in economic impact between 2009 and 2011 was when the venue supply in Greater Manchester significantly increased to include public-funded centres and attractions that extended their remit into this sector to enhance income generation opportunities following the cuts to public funding.

Of the current £810m economic impact, venues in Manchester city centre generate 60% of this, whilst also supporting 61% of the FTEs. Figure 2 provides the profile for the city centre and for Manchester district (Manchester local authority).

Figure 2: The economic profile

Value Indicators	Greater Manchester	Manchester district	Manchester city centre
Economic impact	809.6m	528.1m	482.0m
Direct spending to host venues	497.1m	327.8m	296.6m
Direct spend to non-host businesses in the wider destination*	312.5m	200.2m	185.4m
Direct GVA	296.1m	193.9m	180.8m
Total impact GVA (inc. supply chain)	549.7m	359.5m	334.3m
FTEs supported - direct	21,900	14,300	13,300
FTEs supported - total (inc. direct, indirect and induced)	40,100	26,300	24,300

\*To include; off-site accommodation providers, eating establishments, shops, leisure venues and transport.

Figure 3 shows the average economic value of a conference delegate that Greater Manchester hosts. This is followed by figure 4 that provides this per day.

Figure 3: Economic value per delegate

Per Trip	Greater Manchester	Manchester district	Manchester city centre
Average value of a day delegate (per trip)	£79	£80	£77
Average value of a staying delegate - residential and non-residential (per trip)	£318	£305	£336
Average delegate day rate (to venue and could be multiple days)	£56	£56	£57
Average delegate 24hr rate (to venue)	£281	£267	£302
Average value of a day delegate to the wider destination*	£23	£22	£22
Average value of a staying delegate to the wider destination* (residential and non-residential)	£132	£126	£139

Figure 4: Economic value per delegate per day

Per Day	Greater Manchester	Manchester district	Manchester city centre
Average value of a day delegate (per day)	£51	£54	£54
Average value of a staying delegate - residential and non-residential (per day)	£176	£179	£183
Average delegate day rate (to venue)	£36	£37	£39
Average delegate 24hr rate (to venue)	£142	£150	£149
Average value of a day delegate to the wider destination*	£15	£15	£15
Average value of a staying delegate to the wider destination* (residential and non-residential)	£73	£74	£76

\*To include; off-site accommodation providers, eating establishments, shops, leisure venues and transport.

### 3.2 Volume indicators

Greater Manchester attracts around 4.5m delegates that generate approximately 7.4m delegate days. Figure 5 shows these volume indicators with those for Manchester district and the city centre.

Figure 5: Delegate numbers

Volume Indicators	Greater Manchester	Manchester district	Manchester city centre
Number of delegates	4.5m	3.0m	2.4m
Number of delegate days	7.4m	4.7m	3.9m

### 3.3 Business markets

Corporate business makes up 52% of Greater Manchester's conference and business events market and these events equate to 48% of the delegates hosted. Figure 6 shows the event profile together with how this translates into delegate numbers and economic impact, highlighting the value in attracting association business for the destination.

Figure 6: Greater Manchester's market profile by conference type

	% of business events	% of delegates	% of economic impact
Corporate	52%	48%	43%
Public/government	28%	21%	16%
National association	17%	25%	29%
International association	4%	7%	11%

Figure 7 shows what type of conference business is hosted by each location. It highlights corporate business as the largest market and representing half of the business hosted in the city centre, with public/government, national association and international association making up the other half.

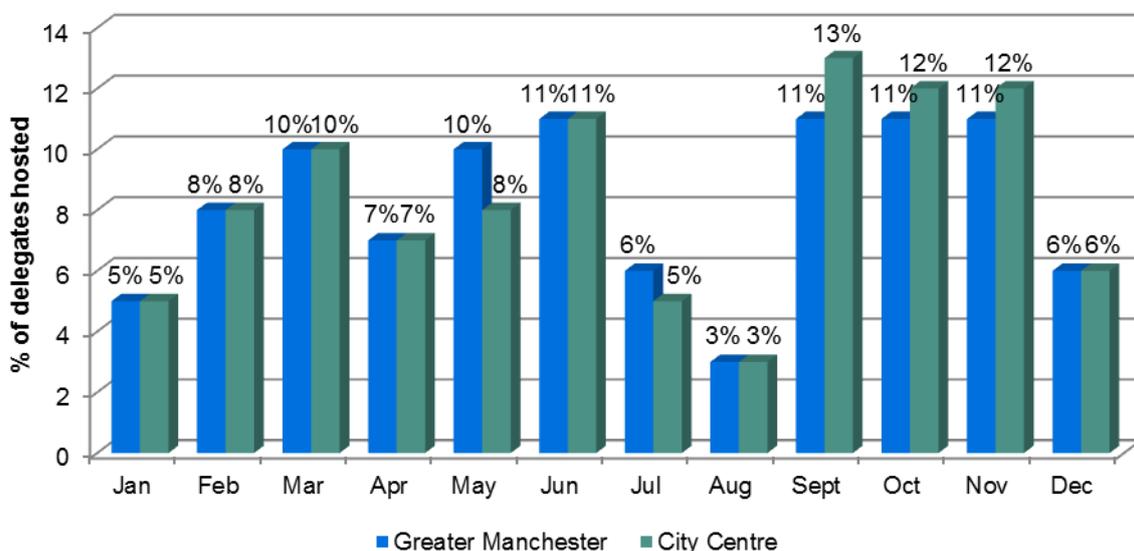
Figure 7: Conference type by location

	International Association	National Association	Corporate	Public Government
% of business hosted in Greater Manchester	4%	17%	52%	28%
% of business hosted in Manchester district	4%	17%	53%	26%
% of business hosted in Manchester city centre	4%	17%	50%	30%
% of business hosted in Petersfield	4%	19%	58%	19%
% of business hosted at the Quays	2%	14%	65%	19%

### 3.4 Seasonality

Greater Manchester is a year-round conference and business events destination and associated activity provides additional business to a range of tourism and hospitality businesses throughout the year and figure 8 provides the seasonality pattern.

Figure 8: Seasonality of delegates hosted



Seasonality patterns remained broadly the same as 2013. The only differences were; a decrease in the proportion of business hosted in December 2015 (more prevalent outside the city centre), and a change in business levels between the two years for March and April, led by a decreased level of business over the corresponding Easter period.

Peak levels of activity continue to be evident during the autumn months, with the city centre particularly being boosted at this time. March to June is also a key period with the exception of Easter.

### 3.5 Lead times

The lead time is the length of time between a conference being booked and the conference taking place and being aware of this enables host venues to identify if forward bookings show an expected business level and consequently direct marketing efforts. Figure 9 shows the feedback received from venues regarding average lead times per conference type and shows that lead times are further increasing in three markets whilst national association business shows that following the significant increase in 2013 that lead times are showing some retraction.

Figure 9: Lead times per business type

	2015	2013	2011	2009
Average lead time for corporate business	13 weeks	9 weeks	10 weeks	9 weeks
Average lead time for public/government business	15 weeks	10 weeks	13 weeks	11 weeks
Average lead time for national association business	34 weeks	36 weeks	31 weeks	30 weeks
Average lead time for international association business	66 weeks	51 weeks	54 weeks	40 weeks

### 3.6 Geographic profile

Conference and business events are held in venues across all ten districts of Greater Manchester to include; training centres, academic institutions, sporting stadia and hotels.

There are also concentrations of activity where there are a number of venues in close proximity that have significant space to hold such activity like Petersfield and the wider city centre, whilst other locations in Greater Manchester develop their capacities in the area for such business like The Quays.

Figure 10 shows the size of the market by each location in terms of people on the ground and market value. It shows that Manchester city centre hosts 50% of the day delegates to Greater Manchester, 53% of the total delegates, 58% of the staying delegates and receives 60% of the economic impact that Greater Manchester makes from the sector.

Figure 10: Market by location

	No. of delegates	No. of day* delegates	No. of staying delegates	Economic impact
Greater Manchester	4.5m	2.6m	1.9m	809.6m
Manchester district	3.0m	1.7m	1.3m	528.1m
Manchester city centre	2.4m	1.3m	1.1m	482.0m
Petersfield	597,000	279,000	318,000	166.1m
Quays	453,000	275,700	177,000	58.3m

\*Day delegates: please note that a day delegate does not require overnight accommodation but could be attending a single day or a multiple-day business event.

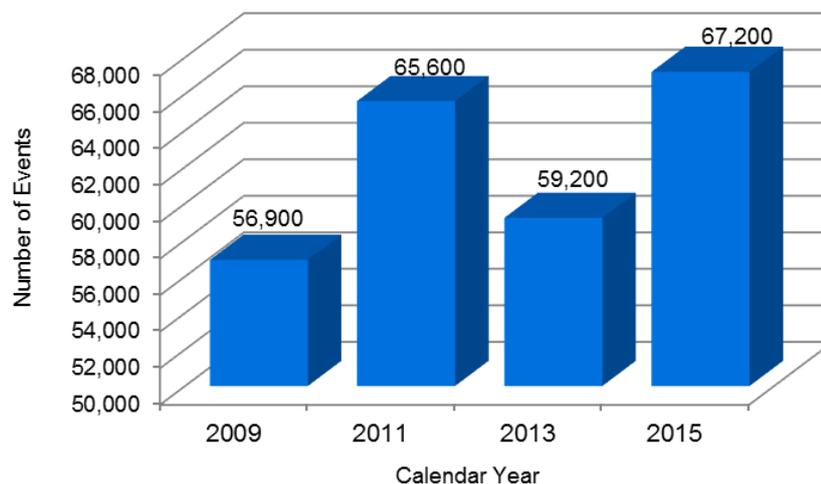
## 4. Key trends

### 4.1: Increase in the number of events attracted

A conference and business event was defined in the study as “an out-of-office conference, meeting or other business event of at least four hours’ duration involving a minimum of 10 people”.

Approximately 67,200 conference and business events were hosted within Greater Manchester venues in 2015, a growth of 14% on the 59,200 in 2013. Figure 11 shows the change in the volume of events since the original study reporting on 2009.

Figure 11: Conference & business events hosted 2009 to 2015



Approximately half of the business events hosted came from the corporate sector (52%), followed by 28% from the public/government/not for profit sector, 17% from national association and 4% from international association.

The number of conference and business events booked at Greater Manchester venues were particularly boosted by business levels from national association and public sector/government/not-for-profit markets. The number of national association events increased by 21%, from approximately 9,500 in 2013 to 11,400 in 2015, whilst public sector/government/not-for-profit bookings increased by 38%, from approximately 13,600 in 2013 to 18,800 in 2015 showing some growth since the decreased level of business received following the recession and cuts to public spending.

Of note, despite the average number of delegates per conference and business event decreasing from all four conference types since 2013, national association business still generated a level of economic impact that exceeded 2013 with the sector supporting an increased income to venues, an increased level of spend at wider destination businesses and an increased requirement for the number employed by the sector.

The restricted growth in the economic impact of the conference and business event sector, combined with the increase in the number of events hosted, would suggest that attracting a higher proportion of larger events will further support the sector and destination businesses.

## 4.2: Growth in economic impact from delegates staying in the 'wider' destination

A staying delegate within the 'wider destination' is a delegate requiring accommodation in a separate business to where the conference and business event is hosted. This includes delegates attending conferences and business events at venues without on-site accommodation such as: purpose-built venues (i.e. Manchester Central); training centres; academic venues (i.e. universities); and unusual venues (i.e. sporting stadia, visitor attractions etc).

All staying delegates, to include residential delegates (staying on-site) and delegates in the wider destination (staying at a separate venue), represent 42% of the market in terms of volume of delegates and 75% of the economic impact. The staying delegates within the wider destination represent 18% of the total delegates in GM and 25% of GM's economic impact.

Figure 12 shows the measures that indicate the impact for the destination from the growth in value in 'wider destination' delegates despite the general trend of decreasing delegate numbers.

Figure 12: Staying delegates in the wider destination

	2013	2015	2013-2015 trend
No. of delegates staying in the wider destination	839,000	818,700	-2%
No. of delegate days staying in the wider destination	1.245m	1.287m	3%
Economic impact from delegates staying in the wider destination	£184m	£201m	9%
Direct FTEs supported	4,700	5,000	6%
Total FTEs supported (direct and indirect through supply chain)	8,700	9,200	6%

There are a number of trends from 2013 to 2015 that are influencing this boost:

- A 3% increase in the number of delegate days for delegates staying within the wider destination from 1.25m to 1.29m, despite the decrease in the number of delegates. This consequently increases demand for rooms and increases the likelihood of increased visitor expenditure both within and outside the conference venue.
- A 10% increase in the number of delegates attending conference and business events from overseas, from 281,000 in 2013 to 308,000 in 2015. Whilst this will increase demand for accommodation across host and non-host accommodation providers it is expected that a good proportion will be attending venues without on-site accommodation to include; purpose built convention centres and a number of academic venues and therefore feeding into this boost in delegates staying within the 'wider' destination.

This evidences the increased value of attracting events requiring accommodation and therefore undertaking activity to attract multi-day conferences with a delegation from further afield, where staying in the sub-region gives the most valuable option. It is also important to note that this trend will have fed into the boost on occupancy levels, experienced between 2014 and 2015, as sourced from STR Global Ltd, and reported separately.

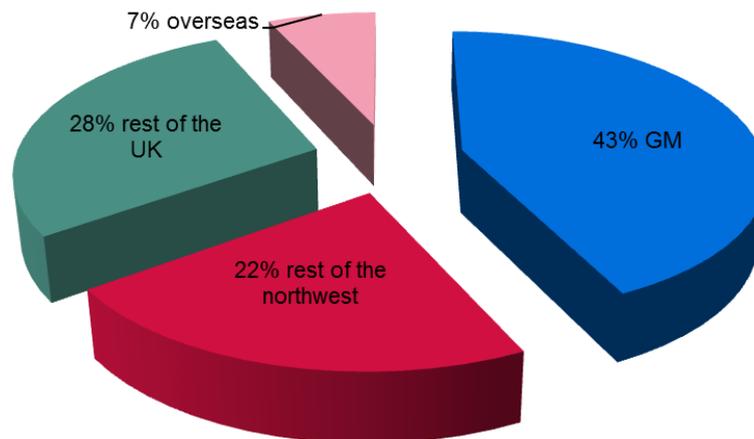
### 4.3: Growth in the value of business from the northwest & overseas

The study measured where the event business originated from. This refers to where the booking came from and it is acknowledged that delegates associated with the booking will frequently come from a wider geographic base.

Figure 13 shows that 65% of the delegates that Greater Manchester hosted in 2015 came from bookings originating from organisations in the northwest of England, to include 43% of delegates who came through business booked from organisations within GM and a further 22% from the rest of the northwest.

This was further supported by 28% that originated from bookings made from the rest of the UK (outside of the northwest of England) and 7% that originated from overseas as figure 13 shows.

Figure 13: Origin of business



The economic impact attributable from events booked from sub-regional, regional and overseas markets increased between 2013 and 2015 and fed through to the range of businesses within the destination and consequently increasing the number of jobs that the activity supports.

However, bookings from 'the rest of the UK' (outside the northwest) decreased in overall value over the two years leading to lower income levels to venues and some businesses in the destination (i.e. eating establishments and retailers) whilst accommodation businesses providing accommodation to delegates attending off-site conference and business events still received an increase in revenue from this market. Figure 14 shows the value of bookings per geographic market.

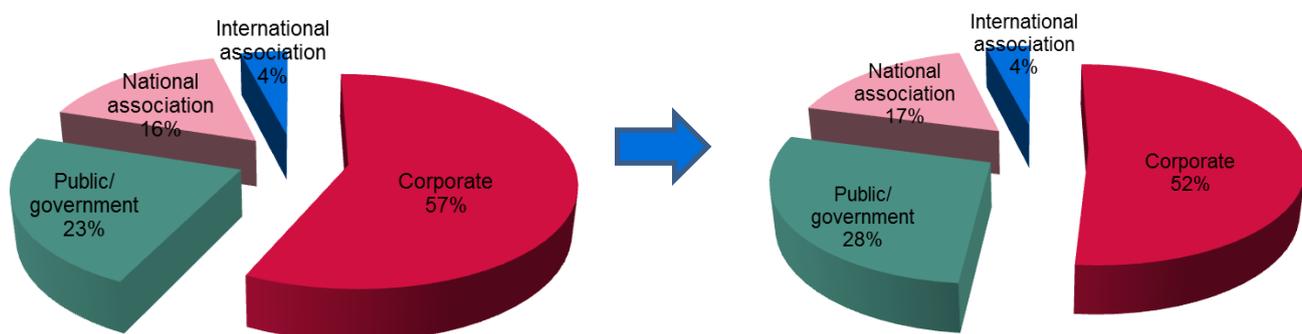
Figure 14: Economic impact of geographic markets

	2013	2015	2013-2015 trend
Economic impact from bookings originating in Greater Manchester	£144m	£152m	6%
Economic impact from bookings originating in the northwest	£301m	£312m	4%
Economic impact from bookings originating in the UK	£735m	£712m	-3%
Economic impact from bookings originating from overseas	£88m	£98m	11%

#### 4.4: Boosted non-corporate sector

In 2015 49% of Greater Manchester's business (number of events) came from the non-corporate market, led by recent boosts from the national association and public sector markets and a steady international association market. Figures 15/16 show the enhanced role to the destination of non-corporate business.

Figure 15: Number of events by business type in 2013 and 2015



Greater Manchester has seen some increase in the proportion of business from the national association market (from 16% of the market in 2013 to 17% in 2015) but the greatest increase is from the public/government sector which is showing some recovery, since the recession and public funding cuts, by increasing its role in the market from 23% to 28%. However as public/government business now represents over a quarter of Greater Manchester's business, but is recognised as a sector subject to potential further funding cuts, it could be advisable that efforts and investment are directed at attracting the remaining types of business to support the sector over future years.

Figure 16 shows the 2015 economic impact for each conference market, and also shows how, when measured against the number of delegates, this translates into value per head.

Figure 16: Value by conference type

	2015 economic impact	2015 value per head
Corporate	£350m	£163
National association	£238m	£213
Public/government	£131m	£139
International association	£91m	£298

International associations generate the highest 'per head' value at almost £300 compared to public/government delegates at less than half of this (£139) and therefore efforts to develop the association markets would be expected to provide a greater economic return.

#### 4.5: Decrease in delegate numbers

The 2015 study identified a 9% contraction in the number of delegates attending conference and business events, from 4.9m in 2013 to 4.5m in 2015. This was due to a reduction in the average size of events rather than a decreased number of events. Figure 17 provides further detail on this.

Figure 17: Delegate numbers 2013-2015

	2013	2015
Number of delegates hosted by Greater Manchester	4.9m	4.5m
Number of delegates hosted by Manchester district	3.2m	3.0m
Number of delegates hosted by Manchester city centre	2.6m	2.4m
Average number of delegates per event hosted	83 delegates	67 delegates
Average number of delegates per corporate event	72 delegates	62 delegates
Average number of delegates per public/government event	71 delegates	51 delegates
Average number of delegates per national association event	122 delegates	98 delegates
Average number of delegates per international association event	152 delegates	123 delegates

The decreasing size of the average event is also reflected in the findings at national level from the United Kingdom Conference and Meetings Survey (UKCAMS) that identified that in 2015 the UK hosted more, but smaller, business events that consequently resulted in lower overall spend.

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## 5. Supplementary information

### Geographic definitions

**Greater Manchester:** The ten districts of Greater Manchester; Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford and Wigan.

**Manchester district:** This is the geographic remit of Manchester City Council and therefore includes the areas to the north of the city and the areas of south Manchester and Manchester Airport.

**Manchester city centre:** For the purpose of this study the city centre is defined as the area provided in the city centre map at: [http://www.visitmanchester.com/media/969800/city-centre-map-2015\\_16.pdf](http://www.visitmanchester.com/media/969800/city-centre-map-2015_16.pdf)

**Petersfield:** This is the area surrounding Manchester Central Convention Complex as identified at: [http://www.visitmanchester.com/media/969800/city-centre-map-2015\\_16.pdf](http://www.visitmanchester.com/media/969800/city-centre-map-2015_16.pdf)

**Quays:** For the purpose of this study this includes the group of businesses within the geographic boundary of the Quays Visitor Destination Group, covering businesses from both Salford and Trafford local authorities.

### Glossary

**Conference and business event:** for the purpose of this study this is an 'out-of-office conference, meeting or other business event of at least four hours' duration involving a minimum of ten people'. This is also a generic term to cover; conventions, congresses, conferences, meetings, training courses, sales briefings and product launches. It excludes exhibitions.

**Day delegate:** a delegate paying a day delegate rate to the hosting venue and commuting from home so not requiring overnight accommodation (this could be for a single day or a multiple-day business event).

**FTEs:** The number of full-time equivalent roles supported.

**GVA direct or GVA output:** The difference between the income generated by the activity and the cost of inputs of its delivery/production (inputs to include; wages, facility costs and maintenance). This is the GVA contribution to the Greater Manchester economy.

**GVA impact:** This is the GVA direct (as explained above) + GVA indirect (bought goods and services from the supply chain to deliver the activity – both within and outside Greater Manchester) + the induced GVA (GVA of firms outside the sector or supply chain, as a result of the expenditure of the employees supported in Greater Manchester and within the extended supply chain on household goods etc). This is the GVA contribution to the UK economy (within and outside Greater Manchester).

**Residential staying delegate:** a delegate staying overnight in accommodation at the host venue and paying a 24 hour delegate rate.

**Staying delegate in wider destination:** a delegate staying overnight in accommodation outside the host venue but within Greater Manchester.



