

FIRST PAN-EUROPEAN LIVE COM INDUSTRY SURVEY

LiveCom European Industry Survey reveals growth in first snapshot of the pan-European live communication industry
'Widespread expectations of budget growth and strong agency position'

The first pan-European survey of the live communication industry, using data from seven countries, has revealed positive growth trends with an average of 83% of respondents expecting budgets to grow or stay the same across six key markets.

The LiveCom European Industry Survey 2016 captured existing data from Belgium, Germany, Italy, Netherlands, Spain, Sweden and the UK. More respondents expect budgets to increase than decrease in all markets except Belgium, where 4% more expect a decrease. The Netherlands (56%) and Italy (49%) had the highest number of respondents expecting budget increases.

Using data gathered after the Brexit referendum result, the UK market was broadly cautious with as many as 74% expecting budgets to remain the same while it also had the lowest expectations of falling budgets — just 6%. The rate of expected budget growth was higher in the UK (6.3%) than in Italy (4.3%), Spain and Sweden (both 3.7%). The LiveCom Alliance European Industry Survey aims to capture the scale, trends and economic impact of the live communication industry in the world's biggest free trade area. The 2016 edition is the first step towards building a comprehensive picture of this important industry. The LiveCom

Alliance, the association which collates data provided by its member associations, will produce future editions of the survey annually to coincide with the EuBea Festival.

POSITIVE BUDGET TREND

Six countries are showing substantial budget growth expectations for events; average growth expectation (36%) is double the expectation of decrease (18%). General event marketing budgets are rising by between 3.7% and 6.3%. And live communication and events are showing a substantial share of the total marcom budget.

STRONG AGENCY POSITION

Looking at the position of agencies in our industry, the results show opportunities for both 360-degree agencies as well as specialized agencies. In general the market is evenly split, with some clients preferring the integrated approach while a similar number believe in working with a select number (average of 3) of specialized agencies. Understanding and thinking in multi-channel approach within event concepts however is a must for the future.

CREATING EFFECTIVE LIVE EXPERIENCES IS NOT ABOUT PUTTING TOGETHER SEVERAL ELEMENTS, IT'S A HIGHLY SKILLED CRAFT, A SPECIALTY.

AGENCIES ADD VALUE

Creating effective live experiences is not about putting together several elements, it's a highly skilled craft, a specialty. Agencies breathe this craftsmanship 24/7 and offer professionalism and a crucial network of suppliers, mostly close partners working together in co-creation to get the best of the best for clients. In addition to important but commoditised assets like 'fixers who do the work' and 'risk management and security', it's about strategic thinking and offering integrated concepts.

This survey is the first of its kind - so why now?



Steve Garvey,
CEO EVCOM (UK)

During the first meeting of LiveCom Alliance - actually the presentation of the project - was when it was first suggested that we should produce data, because the feeling around the table was that the live events industry was not adequately represented on a Pan-European basis, particularly in regard to Government regulations. I then took this to the board of EvCom, because from a UK perspective, it made it even more sense to do it now in case the UK did decide to leave the EU, because we wanted to maintain trade and keep borders open for our members. And, as we all know, that turned out to be the case.

It says 83% of respondents expected budgets to grow or maintains cross the six markets, were the results as you expected?

We actually didn't really know what to expect because nobody had done this survey before, but it was more positive than we expected. Most respondents came out neutral or optimistic, which when you take into account that the global economy is still not in great shape and The European Union had been through immense changes, it was a pretty big surprise to us.

Do you think the results of the survey are indicative of a change in how live events are perceived, and the value they bring to the marketing mix?

I think it does, there's a positive growth trend in most places across Europe. If you'd looked at this say a decade ago, live events would have been seen as fairly peripheral, just one element of marketing that's very subsidiary to lots of other things, and now they're becoming much more mainstream right across the European continent.

You aim to present this survey annually, do you think this will inspire Event Professionals to implement greater measurement metrics?

Hopefully it will provide a benchmark for the wider European live events industry on two main levels. One, it will give an idea of the scale of the industry, because no-one really knows how big it is, and secondly it will allow different nations to measure how they're doing against their European peers, which I think that will only be beneficial. Because if one nation is doing particularly well, then I'd imagine other nations are going to turn to them and ask 'What are you doing that we're not? And what can we learn from you?' which is a great collaborative spirit to have within the LiveCom Alliance. So I think having this data could really trigger a lot more discussion about how best to move the whole industry forward, and how to develop particular markets within that, which of course includes the UK.

Can you see this expanding into a global survey in the future?

What we're trying to do at this stage is to make sure we build this survey further and start to develop annual comparative data. This is just the first step it's not what it needs to be yet, but it had generated a lot of interest and I think that demonstrates the fact that there is nothing out there like it.

IN OUR FUTURE IT'S ABOUT EFFECTIVE MEASUREMENT (ROI), INTEGRATED DIGITAL STRATEGY AND EVENT DESIGN.

FUTURE INDUSTRY THEMES

In our future it's about effective measurement (ROI), integrated digital strategy and event design. These are obvious themes which have been around for a while, but this underlines the importance of dealing with them, understanding them and anticipating them. Challenges in compliance are expected and knowledge of trends and innovation are demanded.

EVENTS, LIVE COMMUNICATION OR EVENT MARKETING?

How to describe what the services we offer is an interesting question and there is still no final answer. Besides a slight preference for live communication in Italy, it's a mix mostly used as a combination in order not to miss any single element. At the 2016 advisory board meeting of the EuBea Festival, an event was defined as: 'a live experience, planned in advance, in a limited period of time, with the objective of affecting the perception or behaviour of the audience, duly included in the marketing mix'. Overall the phrase live communication is widely accepted and approved as the most vivid and lively way to describe our industry.

Maarten Schram, Founder and Chairman of the LiveCom Alliance, commented: 'We are delighted to publish this first edition of the LiveCom Alliance European Industry Survey. We want to build on the simple foundations we have now established and produce a bigger survey in 2017. We are exploring our own market research, focussed on specified numbers working towards our ultimate goal of creating a value of what our pan-European industry is worth and how many people it employs. We believe this will demonstrate the contribution live communication makes to the European economy and support its continued development.'

ABOUT LIVECOM ALLIANCE

LiveCom Alliance is a pan-European network of live communication experts, mainly event association CEOs and chairmen, aiming to develop our industry through exchange of local expertise and best practices. Building the future together ●

Disclaimer

This survey is based on local market research results. All data are analysed by mark.



Jaime Sanchez, COO of Eventisimo and member of International Committee AEVEA (Spain)

It is great news that the European events market shows relevant growth rates in the first announcement provided by LiveCom Alliance. AEVEA, one of the seven members of LiveCom Alliance who contributed to the elaboration of that report (LiveCom has incorporated since then two more partners: FAMAB-Germany and EMBA-Austria) presented researches on local markets and concluded that Spanish market has improved planning and budget strategies during the crisis, optimizing its general performance. This is indeed a good sign for the European market in general.



Maarten Schram, Managing Director, IDEA (Netherlands)

This survey indicates a very positive event budget trend in The Netherlands, as well as an increasing marcom budget forecast including a substantial share for live. And that's great news! And it underlines the impact of live within the marcom mix. We see this positive trend confirmed by the outcome of our agency benchmark survey, which shows a 12,5% turnover as well as staff growth in 2015 among our members. Increasing average lead times in our country and strategic consultancy and distinctive creative concepts as most valuable assets of working with an agency, also confirmed by our most recent survey among Dutch clients, underlines the strong position and added value of agencies.



Johan Vandepoel, CEO, ACC Belgium

The European Industry Survey shows a rather disappointing trend for Belgian event budgets. Indeed, we had to cope with the most severe terror attacks ever in our country. We suffered from severe budget cuts; new events were canceled or postponed. But the industry responded with optimism: round tables were organized and precaution measures were initiated, new insurance policies were created, a hashtag #WeLoveLive was launched and the event agencies demonstrated their confidence with the Brussels Event Street on July 4th. The next survey will surely show a positive trend!

Comments

LiveCom Alliance European Industry Survey

Budget trend

	DECREASE	SAME	INCREASE
NETHERLANDS	14%	30%	56%
BELGIUM	31%	42%	27%
SPAIN	19%	46%	35%
GERMANY	14%	59%	27%
ITALY	21%	30%	49%
UK	6%	74%	20%
AVERAGE	18%	47%	36%

Budget forecast



Agency position

- Events are considered as services for specialized agencies. Almost 60% of the budget goes to integrated agencies, but this implies 40% goes to other agencies (on average 3,2 type of agencies)
- 51% of the brands are in favour of having a pool of agencies instead of 360° agencies
- 34,5% of clients organizing events work with an agency

Live communication share in marcom mix

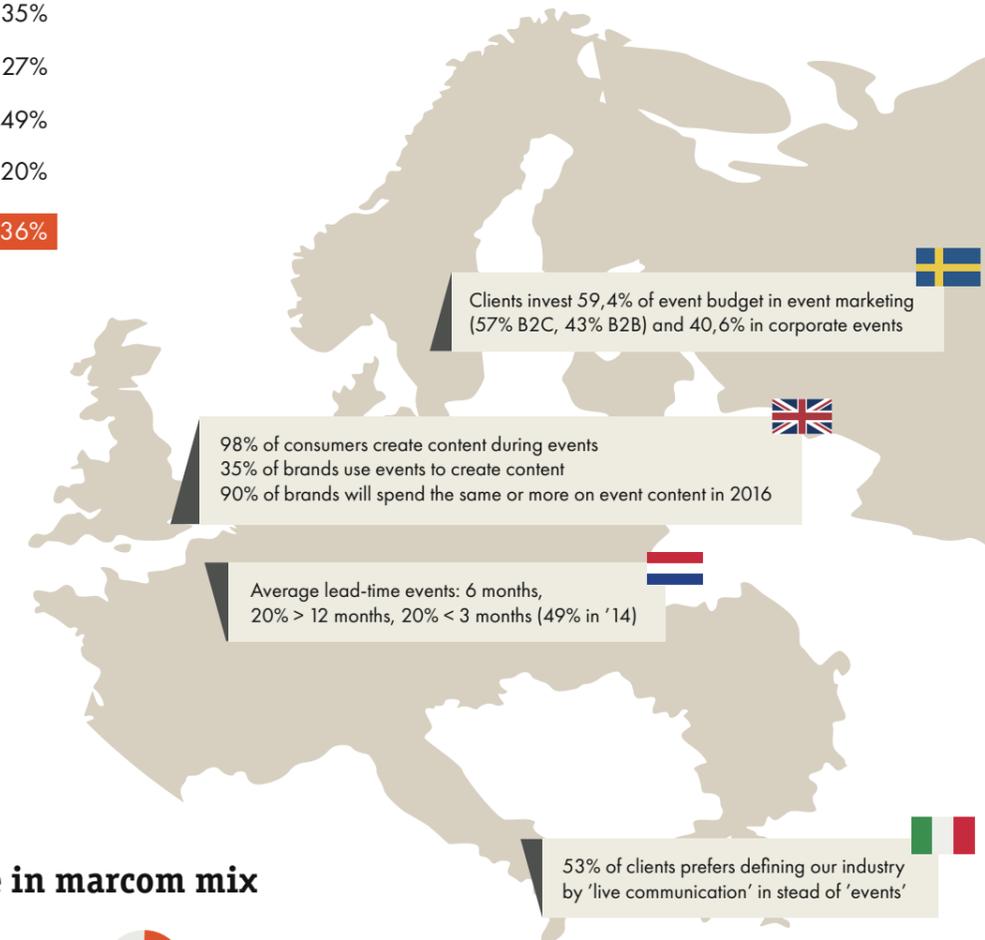


USP's live communication agencies

- Professionalism
- Experience Partnership
- Strategic consultancy/conceptualization for events
- Specialty / craftsmanship
- Fixers/do the work
- To secure/risk management
- Digital strategy

Future industry themes

- Meeting Design
- Data
- Effective measurement / ROI
- Digital-, web- interactive strategy
- Knowledge in trends
- Compliance
- 360 degrees creative platform



© 2016. This survey is based on local market research results. All data are analyzed by market research agency Effectmeting. No rights can be derived from the information provided.